

# THE Hongkong Weekly Press

## AND China Overland Trade Report.

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### MARRIAGES.

At St. John's Cathedral, Hongkong, on Tuesday, 29th December, 1896, by the Rev. R. F. Cobbold, ERNEST KNIGHT CHANDLER, to MARIAN, widow of the late Mr. William REID, of Sydney, N.S. Wales. [2978]

At Shanghai, on the 17th December, 1896, at the Imperial German Consulate-General, by Dr. Stuebel, Consul-General, and afterwards by Pastor H. Hackmann, Theo. Lic, at the Union Church, ANNA, eldest daughter of Professor A. WITTBROCK, of Celle, to C. BRETHERMAN ROSENBAUM, of Shanghai.

On the 19th December, at H.B.M.'s Consulate-General, Shanghai, by Sir Nicholas J. Hannen, Consul-General, and afterwards at the Holy Trinity Cathedral, by the Rev. H. C. Hodges, M.A., PHILIP ALEXANDER HARRINGTON, eldest son of Alexander CHAMBERS, of Leytonstone, Essex, England, to MARGARET MARY (MAGGIE), eldest daughter of Edward BELBIN, of Shanghai.

### DEATHS.

At Nagasaki, on the 17th December, WALTER CECIL NASH, 34 years.

At the Shanghai General Hospital, on the 17th December, 1896, JOHN ROGERS FRYER, aged 25 years.

At Shanghai, on the 20th December, 1896, ALFRED DAVIS, a native of Oldham, England, late of Ewo Cotton Mill, Shanghai, aged 39 years.

At Shanghai, on the 20th December, 1896, P. M. PETERSEN, late pilot at Ningpo, aged 56 years.

### ARRIVALS OF MAILS.

The French mail of the 20th November arrived per M. M. steamer *Sydney*, on the 23rd December (33 days); the English mail of the 27th November arrived, per P. & O. steamer *Rosetta*, on the 26th December (29 days); and the Canadian mail of the 7th December arrived, per C. P. steamer *Empress of China*, on the 30th December (23 days).

### EPITOME OF THE WEEK.

The torpedo destroyers *Hart* and *Handy* arrived at Hongkong on the 24th December.

Three hundred people lost their lives in a fire at a native theatre at Fohchow on the 10th December.

Mr. E. T. Williams, who has been a resident in China since 1887, and is said to be a most competent Chinese scholar, has been appointed Interpreter at the U.S. Consulate-General, Shanghai.

General Polavieja was sworn in as Governor-General of the Philippines on the 13th December, the function being attended with great ceremony. General Blanco, the retiring Governor-General, left by the *Leon XIII.* on the 20th.

A cotton mill of about the same size as the Lao-kung-mao Mill is now being constructed by the Japanese on the Yangtsepoo Road, Shanghai, and should it turn out a success it will, the *N. C. Daily News* says, be followed by two others, each as large as the Ewo Mill.

A special despatch from Peking reports that Liang Cheng, a Cantonese, one of the returned students from the United States, a Secretary of the Tsungli Yamén with the rank of Taotai, is designated to replace Huang Chun-hsien as Chinese Minister to Berlin.—*N. C. Daily News*.

A further despatch has been received from the Secretary of State for the Colonies in reference to the Hongkong military contribution. Mr. Chamberlain declines to accede to the request of the unofficial members that the amount should be again fixed at £40,000 a year instead of 17½ per cent. of the revenue.

The Manila *Comercio* of the 21st December says that according to official statements small groups of insurgents have tried to cut the railway at different points in the province of Bulacan, but have been beaten off and dispersed by patrols of the Government troops, five of the rebels being killed and six taken prisoners.

It is reported from Tokyo that the compilation of the statutory Customs Tariff has been completed by the authorities of the Finance, Department and it has been referred to the Foreign Department. All the articles not enumerated in the tariff annexed to the new foreign treaties are specified in the new tariff. The highest rates of duty proposed are on wines and spirits and tobacco and cigars. The rates are between 30 and 40 per cent.

The *China Gazette* says:—A short time ago great fears were entertained that the local money market would be exceedingly tight in the ensuing Chinese new year. Fears of tension have now been removed, as Sheng Taotai has lent the Chinese banks 50 lakhs of sycee and Taotai Lu has supplemented this with 20 lakhs; the consequence is that the pressure on the local money market is considerably relieved and native interest has been reduced to the nominal 1 candereen.

At a reception given on board the *Centurion* at Singapore on the 12th December a distressing accident occurred. One of the forms of entertainment provided was a shooting gallery. By a mischance one of the bullets struck a bolt at the target end and glancing upwards through the opening by which light was thrown on the target it pierced the side of Mrs. Bland. The lady was removed to her home and the bullet was successfully removed next day.

A large "deal" in Japanese bonds is reported to be under negotiation. Baron Rothschild, it is said, has nearly completed negotiations with the Nippon Ginko for the purchase of War and Consolidated Bonds to the value of over three million sterling.

The erection of the new International Cotton Mill at Pootung is now so far advanced that smoke was seen issuing from its tall shaft for the first time on the 17th December, some of the boilers having started working. A great portion of the machinery has arrived and has been erected, the rest being expected at an early date.

At a meeting of the Shanghai Volunteer Corps held on the 17th December, it was recommended that Captain Mackenzie be appointed commanding officer, as suggested by the Municipal Council. Captain Mackenzie is the Superintendent of the Police Force and some difference of opinion existed as to whether the command of the two corps should be combined in one individual, but the motion was carried by 48 against 13.

The return to China of Mr. Detring is, we believe, principally connected with Li Hung-chang's embassy to Europe, that is to say, Mr. Detring, who was a close adviser of Li in Europe, is desirous of settling some outstanding matters of the tour, and meeting the ex-Viceroy. From time to time statements have been published crediting Mr. Detring with the most diverse intentions in this country. One of the latest and most circumstantial was the constitution of a powerful Bank in China, but, on the best authority, we are assured that the report is incorrect. Mr. Detring's present visit is of the nature we have indicated at the commencement of this article, and is not likely to be prolonged after the opening of the northern ports to navigation. As soon as possible he will start for Chefoo, and then will travel overland to the capital, a journey of about twelve days. Having settled affairs, by the time Tientsin re-opens after the winter he hopes to be able to start for Europe, to enjoy the remainder of the home leave to which he is entitled.—*N. C. Daily News*.

The *Singapore Free Press* says:—We hear on what we believe to be good authority that, in spite of statements to the contrary, H.M.S. *Renown* will come out to the China Station in 1897 as flagship. The *Centurion* does not return to England in April, but will be recommissioned at Hongkong with a new crew, and on the *Renown's* arrival later in the year will take over from H.M.S. *Grafton* the duties of second flagship, the *Grafton* becoming again a private ship in the squadron. It is also understood that H.M.S. *Powerful*, or perhaps the *Terrible*, but certainly one or the other, comes out to the Far East also. This is in order to maintain the naval balance in view of the fact that the Russian cruiser *Rossia*, an improved *Rurik* (the latter also being on this station), is presently to be sent out to join the Russian Pacific squadron. The British ship goes 22 knots to the *Rossia's* 20, carries 3,000 tons of coal to the latter's 2,500, and has a horsepower of 25,000 against the other's 15,000. The main armament of the *Rossia* is four 8-inch guns, while that of the *Powerful* is two 9.2-inch guns. In the number of quickfiring the British ship has the advantage.



## CELEBRATION OF THE SIXTIETH YEAR OF HER MAJESTY'S REIGN.

In June next the colony will be called upon to celebrate the sixtieth anniversary of the Queen's accession. The occasion is an important and interesting one, one that will be enthusiastically honoured throughout the Empire, and, we venture to say, not less so in Hongkong than in any other portion of Her Majesty's possessions. There will be displayed the same warmth of feeling as on the occasion of Her Majesty's Jubilee; but, as regards Hongkong in particular, let us hope there will be much less confusion in translating that warmth of feeling into action. Those who were in the colony at the time will have a lively recollection of the "Jubilee muddle," as it came to be called, and of the numerous meetings that were held before any decision could be arrived at. With a view of avoiding a repetition of that muddle next year we would suggest that the subject should receive the early consideration of the British residents and that any ideas that may be entertained as to a permanent memorial of the occasion should be freely ventilated in private conversation and through the public press, so that by the time a public meeting is called for final decision the community may have had the opportunity of forming definite opinions on the various projects that may be advanced. It might be well if a preliminary meeting were called at once and a committee appointed to consider any schemes that may be proposed and to report to a subsequent meeting or meetings as to their cost, their suitability, and the feasibility of their execution. It will be remembered that on the occasion of the Jubilee at the successive meetings vague schemes were brought forward, the promoters of which had not taken the trouble to work them out in detail, and time was wasted and needlessly contentious feeling excited by their discussion. That is not the way to arrive at a wise decision.

There are two principal points to be considered: first, the celebration of the day, and, second, the permanent memorial. We take it for granted that the community will wish to celebrate the day by festivities of some kind, and that it will also wish to endow the colony with some permanent memorial of the longest and most glorious reign in our national history, though possibly it may be considered that the Queen's statue, so recently unveiled, may already sufficiently serve that purpose. As to the celebration of the day, the feeling will probably be opposed to the throwing away of any large amount of money in illuminations and fireworks. The colony can make a very good display in that line when it likes, but it costs a good deal of money, and on the occasion of the illuminations in honour of the Duke of Cornwall's visit it was discovered that while the Chinese guilds had entered readily enough into the scheme laid before them by the Registrar-General they afterwards recouped themselves for the outlay by levying a tax on their members, and more particularly on the stall-holders in the market, which excited a good deal of grumbling. A repetition of anything of that kind is to be avoided, and we would therefore deprecate any official pressure being brought to bear upon the Chinese to induce them to indulge in lavish expenditure. A general holiday, a review of the troops, and some public amusement in the evening might possibly be deemed sufficient for the celebration of the day.

There remains the more important

question of the permanent memorial. At the time of the celebration of the Colony's Jubilee various proposals were brought forward, but as the community was then in the depths of financial despondency no permanent memorial of that event was adopted. It may be interesting now to recall those proposals. One had reference to the maintenance of the Hongkong Public School, now closed; another contemplated the erection of a building on the reclamation in front of the City Hall for the purposes of a public library and museum; a third proposal was that a similar building should be erected, but should be used as a technical school; and the subject of a fourth was the making of a road round the island to be called the Jubilee Road. The last named project met with a good deal of support on its own merits, but it was felt that it was unsuitable as a public memorial, being a public work which must sooner or later be taken in hand by the Government in ordinary course. Indeed, if we remember rightly, some semi-official assurance was given that such a road would be made by the Government. If funds were available it would be very appropriate if the road could be made next year and be called by a name that would commemorate the sixtieth year of Her Majesty's reign, though the "Sexagenary Road" is not exactly a name that could be recommended on the ground of elegance. Such a road would afford increased opportunities for exercise, would open up new building sites, and would probably lead to the Chinese setting up country houses for the accommodation of their families. The work, however, is a Government business and could hardly be adopted as a public memorial. As to the other projects brought forward six years ago, it may be pointed out that the Praya Reclamation in front of the City Hall is now appropriated as the site of the proposed new Public Offices and is therefore no longer available for the suggested technical school or public library and museum, nor, if a suitable site could be found elsewhere, do we think either of those projects would command sufficient public support to ensure the necessary funds for starting the institution and providing the large endowment that would be necessary to keep it going. Other educational projects may be again advanced, but they are not likely, we imagine, to secure general support, public opinion being greatly divided on the subject of education; and, moreover, the present requirements of the colony in that respect are passably well provided for except in some minor particulars affecting small sections of the population.

A suggestion that might perhaps be worth consideration is that the shareholders of the City Hall should be bought out and that the building should be enlarged and be placed under the control of the Government or of some body representative of the public. This is a project that would appeal principally to the European community and to which the Chinese could not be expected to subscribe very largely; but it would be almost impossible to hit upon any project that would appeal equally to both communities, and if the Chinese subscribe at all they will probably wish to have a memorial that will answer some special requirement of their own. The City Hall project would therefore have to be considered with special reference to the European community and the subscriptions that could be raised amongst that community. The building no longer affords the accommodation the

community requires, as is proved on the occasion of every ball that is held there, and its management also leaves a good deal to be desired. The shareholders in the property derive no revenue from it, nor are they ever likely to, and it may therefore be assumed that they would be willing to surrender their rights on easy terms. If it were ascertained that this would be so the feasibility of raising a sufficient subscription for the enlargement of the building by the addition of another storey might be taken into consideration; and, supposing the scheme to be carried out, the institution could then be renamed so as to make it commemorative of the sixtieth year of Her Majesty's reign. The suggestion is submitted simply for what it may be worth, and without prejudice to any other proposal that may appear more worthy of support. A less ambitious project that might be entertained is the completion of the design of the Queen's statue by the erection of a statuette at each corner, representative, say, of Art, Science, Literature, and Commerce or of special events in Her Majesty's reign.

## TAXATION OF FOREIGN MANUFACTURES IN CHINA.

In commenting on the remarks made by Mr. ALFORD at the meeting of the Ewo Cotton Spinning and Weaving Company with reference to the taxation likely to be imposed on manufactures by the Chinese Government the *Japan Mail* finds it difficult to endorse the sanguine tone adopted by the speaker. It points out that treaty obligations can no longer be invoked, whatever security the Shimonoseki Treaty conferred having been annulled by Japan's consent to waive the privileges that the document contained in this particular respect. That is so, and it may be taken as a warning against relying on the "favoured nation clause" in any important matter. It was the Shimonoseki Treaty that chiefly encouraged the investment of foreign capital in cotton enterprises at Shanghai, and before any of the various mills have commenced working the advantages supposed to have been secured by that treaty are swept away by a subsequent agreement between China and Japan, in the negotiation of which neither foreign merchants nor their respective Governments could have anything to say. Whatever commercial advantages may be secured by other Powers in future, therefore, Great Britain would do well to lose no time in also securing in her own right instead of depending on the favoured nation clause, which in this instance has proved itself a broken reed. Still, we do not agree with our contemporary in regarding the prospects of the cotton industry as gloomy. As to the "common sense of the advisers of the Chinese Government," a term made use of by Mr. ALFORD, the writer says: "The obscurity shown by China in prolonging the negotiations for the commercial treaty with Japan until the latter consented to waive the free manufacturing clause of the Shimonoseki agreement, and the fact that China was willing to purchase Japan's complacency in this matter at the cost of sites for four independent settlements, show pretty clearly how much trust can be placed in Peking's forbearance, and what intentions are entertained by the Chinese Government in the matter of taxing the products of foreign manufacturing enterprise." As there is no public record of the course of the negotiations it is impossible to say positively whether it was China that was so anxious to get rid of the



restriction on her right of taxation that she was willing to give sites for settlements in order to purchase the surrender of the restriction, or Japan that was so anxious for the settlements that she was willing to surrender the advantages she had secured for foreign manufactures, but we should say the probabilities are rather in favour of the latter supposition. And, moreover, even if it were a fact that China was particularly anxious for the abrogation of that clause of the Shimonoseki treaty it would not necessarily follow that she intended to strangle the new enterprise by excessive taxation, for it would be only natural that she should desire to have a free hand in the matter and so take the credit to herself of voluntarily confining the taxation within moderate limits instead of allowing the credit to go to Japan for compelling her to do so. That view might reasonably be taken, not as a mere matter of sentiment, but with reference to the substantial advantages it would confer on China in negotiations that may in future take place between herself and Western Powers on questions of trade. Our Yokohama contemporary goes on to say:— "Finally, can it be reasonably expected that the British Government will exert itself strenuously to further the prospects of cotton mills in China which will compete directly and at great advantage with Manchester and Bombay? The broad view may be taken that China's prosperity, by whatever means accomplished, cannot fail to generally benefit the countries trading with her, and ought to be promoted by England without regard to the disadvantages entailed upon particular branches of trade or particular individuals by the process. But we doubt whether Her Majesty's Government will be induced to adopt that view very vigorously in the present instance." If this means that Great Britain will passively encourage China to kill the new industry, with the idea of benefiting Manchester and Bombay, we do not for a moment believe it. Her Majesty's Government will afford the same protection to British interests as represented in the cotton industry at Shanghai that it extends to British interests abroad as represented in any other line of enterprise. It is not to be expected that Great Britain should go out of her way to secure for manufactures on Chinese soil immunity from taxation, but she will want a definite understanding as to what the taxation is to be and will then see that it is not exceeded. And so far as can be seen at present, Chinese ideas range about ten per cent. *ad valorem*, which is not regarded as very excessive. In a previous article on this subject we pointed out that a large amount of Chinese capital held by influential personages in the official world has been sunk in the cotton spinning industry, that the parties interested will therefore use their influence to prevent the industry being taxed out of existence, and that foreign factories cannot be taxed on a higher scale than Chinese industries; also that the lekin authorities have not yet secured a grip on this new branch of trade and that it is probable the Peking Government, moved by self-interest, will endeavour to keep the revenue accruing therefrom in its own hands and so administer it through the Imperial Maritime Customs, that it shall yield a steady and permanent income. To this we may now add the fact that whereas shortly after the conclusion of the Shimonoseki Treaty Japanese capitalists who had promoted public companies for the establishment of cotton factories in China were warned by their Government that it would be

prudent not to embark on the enterprise at once, they are now carrying out their original schemes. From this the inference may be drawn that Japan, while surrendering her rights under the Shimonoseki Treaty in that respect, has received assurances of some kind to the effect that it is not intended to subject the manufacturing industry to excessive taxation. That the new enterprise is attended with a certain element of risk it would be idle to deny, but taking all the circumstances into consideration the prospects seem decidedly favourable.

#### MR. WU TING-FANG.

The appointment of Mr. Wu Ting-fang to be Chinese Minister at Washington is a rather notable circumstance from more than one point of view. Mr. Wu Ting-fang is the first Chinaman educated in this colony who has been raised to the rank of Ambassador, the first foreign educated Chinaman probably who has risen to any position of eminence in the service of his country. It may be of interest to those of our readers who cannot date their local experience to more than a dozen years back to know that the new Minister, who was known here as Ng Choy, was educated at St. Paul's College and subsequently became an interpreter in the Courts here. He next joined the ranks of journalism, becoming lessee and manager of the *Chung Ngai San Po* (Chinese Daily Press). After a few years spent in this profession, he left his brother, the late Mr. Ng Chan, in charge of his interests, and went to England, where he studied law and was in due course called to the Bar. He then returned to Hongkong and practised in the Courts here, with, however, only moderate success. This was during the administration of Sir John Pope Hennessy, who was not long in discovering in the young barrister a useful channel of communication with the Chinese, and he skillfully worked upon them through his fagelman in the effort he made to kindle race antipathies and grievances. Sir John was not slow to reward his *protégé*. He obtained permission from Downing Street to place a Chinaman on the Legislative Council, and Ng Choy, though by no means a representative man, was appointed, and later on, when the opportunity occurred through a vacancy, he made him Acting Police Magistrate. It is only just to Ng Choy to say that he proved a fairly capable and impartial magistrate; but the experiment, like most of Sir John Pope Hennessy's appointments, was a risky one. After the departure of his patron to Mauritius, Ng Choy thought it might be more profitable to seek a field for his energies and talents in the Chinese service, and he has not been disappointed. Unlike the vast majority of his countrymen who have acquired a Western education, Wu Ting-fang, as he styled himself on arrival at Tientsin, was neither snubbed nor relegated to an inferior position. He owes this partly no doubt to his tact and ability, and partly to his knowledge of Western law, which must often have been of great service to the Viceroy and afterwards to the Peking Authorities. Mr. Wu has been a director of the Imperial Railways, and has held other posts; and, as he is reliable if not brilliant, he has steadily worked his way into prominence in spite of his meagre acquaintance with the Chinese classics. In appearance the newly appointed minister is decidedly prepossessing and dignified; he may be indebted in some measure to his Malay mother for his good looks. As a man of the people, entirely self-made,

without even the aid of a Chinese degree to push him on, he ought to be acceptable to the people of the Great Republic. He is, we believe, an advocate of progress, though of course he has never yet been in a position in China to make his influence felt. He knows well the great advantages reaped by his countrymen through emigration abroad and he will be no party to any attempts to make the American Exclusion Laws more rigid against the Chinese than they now are. The Chinese in the United States will find in him an exceptionally able protector, who will exact their uttermost rights and insist upon justice being done to them. It is, however, unlikely that he will make any effort to acquire popularity in Washington Society like some of his predecessors are said to have done. His diplomatic work will claim his whole attention, and he will no doubt endeavour to make the post a footstool wherewith to climb to still higher office. He is about fifty years of age, and may possibly have a great future before him in China.

#### THE EDUCATION OF EUROPEAN CHILDREN IN HONGKONG.

In his speech at the prize distribution at St. Joseph's College on Tuesday the Chief Justice referred to the question of middle class education. "Of late years," His Lordship said, "the education of the middle classes in England had been very much in the background; not nearly the same attention had been given to them as to the lower classes and the upper classes. The upper classes had grammar schools and the lower classes had a system of education which had been more or less developed to perfection; while on the other hand the middle classes had had no systematic education at all. The state had hitherto done very little for the middle classes, but lately a Commission had been appointed to enquire into the question, and by and by the education of the middle classes would be taken into consideration." In Hongkong the grant-in-aid scheme is administered on rather more liberal principles than in England, private schools being allowed to participate in it here, whereas in England that is not the case. To that extent middle class education may be said to be treated more generously in Hongkong than at home. Also at the Queen's College a good education is given, on reasonable terms, to both Chinese and European boys, and as the latter are now in a class by themselves the objections that parents formerly entertained to sending their children to that institution have to a large extent disappeared. In the city of Victoria itself, therefore, there is not much room for complaint against the Government as regards the provision made for, and the encouragement afforded to, the education of European children. In the suburbs, however, the position is rather different. At Kowloon, especially, educational facilities are required. At the Peak the number of children of school age is comparatively small, as the class residing there send their children home to be educated as a rule. At Kowloon, on the other hand, a large number of the residents are not in a position to adopt that course, and their children have to be educated locally. The question of educational facilities is therefore felt by them to be one of great importance, and a year or two ago steps were taken to establish a school, which has been known as Kowloon College. Some fifteen hundred dollars were subscribed for the erection of a mat-shed for the accommodation of the school, and the institution has done good work and proved



its utility. We regret to learn that it is not likely to be re-opened after the Christmas holidays. The mat-shed was blown away in the last typhoon, and the fifteen hundred dollars subscribed has therefore been entirely lost. A house was rented for the completion of the term, but the rent in addition to the other expenses of the school is too great a strain to be continued; and Government assistance, it appears, is not forthcoming except on terms that are felt to be impossible. The Government, we hear, is willing to provide a site if \$5,000 is subscribed for the erection of a school house, but this sum is quite beyond the means of the community. It is urged with some force that the Government does a great deal for Chinese education on the peninsula and that the European community is also entitled to some consideration and attention in a matter of so much importance. At present they find themselves in the position of the middle classes in England as described by Dr. CARRINGTON, namely, that nothing is done for them by the Government in the matter of education. It is obviously undesirable that children at Kowloon should have to make the long journey necessary to reach the schools on this side of the harbour, especially in bad weather, and the want of a good school on the peninsula will no doubt act as a deterrent to many people with families who might otherwise be disposed to take up their residence there.

#### THE SANITARY BOARD QUESTION.

The long expected decision of the Secretary of State regarding the reconstitution of the Sanitary Board must still be awaited for "a year or so" longer. Mr. CHAMBERLAIN has decided to defer giving any final decision during Sir WILLIAM ROBINSON's tenure of the office of Governor; he understands the Board, as at present constituted, to be working well, and he considers its future constitution may well stand over to be dealt with, if necessary, by Sir WILLIAM's successor, "who will be in a position to approach it *de novo* with the advantage of "the information which has already been gained on the subject." What view the next Governor may take must remain a matter of conjecture, but having "the advantage of the information which has already been gained on the subject" he ought to arrive at the conclusion that a popularly constituted Sanitary Board is the only reliable means by which the public health of the colony can be properly looked after. The general experience of the empire and the particular experience of this colony both point to that conclusion. Sir WILLIAM ROBINSON, however, is strongly in favour of the control of sanitary matters being placed under the control of the Government and of the abolition of the Sanitary Board. Well, the Government enjoyed for over forty years the "undivided responsibility" of which His Excellency is so much enamoured, with the result that the colony was allowed to drift into a state of insanitation truly appalling. The Sanitary Board was created with the idea of improving matters, which it rapidly proceeded to do, but its powers were exceedingly limited, and the fact that it did not succeed in a day in sweeping away the consequences of forty years of official neglect and mismanagement is now made the excuse for an attempt to sweep away the Board itself and revert to the old rotten system which brought such disastrous consequences upon the colony. Those who agree with

His Excellency would of course not admit that sweeping away the Sanitary Board would mean a revival of the state of things that previously existed, nor would it for a time, while the lesson of the plague continues fresh, but when that begins to fade from memory the inevitable tendency of officialdom will again assert itself. It is satisfactory therefore to know that the Sanitary Board is not yet finally strangled and that though its constitution as established by Ordinance remains for the time being suspended, its functions being exercised by a remnant, there is a fair prospect of its ultimate re-establishment upon a legal basis, for we can hardly think that the next Governor will be prepared to totally disregard the public opinion of the colony upon this important subject. Sir WILLIAM ROBINSON was unfortunate in being altogether misled by his advisers as to what the opinion of the public really was. His successor will not labour under that disadvantage.

#### SPAIN AND THE UNITED STATES.

The position as between Spain and the United States is undoubtedly rather strained, but we do not believe that the action of the American Senates will lead to any actual collision. President CLEVELAND is not likely to desert his Secretary, nor is it probable he will, at the close of his administration, do anything likely to involve his country in a war. For it is tolerably certain that any active intervention by the United States would be regarded as a *casus belli* at Madrid. The Spanish Government have a good deal on their hands at the present moment, what with the formidable rebellion in Cuba and the native insurrection in the Philippines. They have, it is said, no less than two hundred thousand men in the Pearl of the Antilles at present, and probably ten thousand more in the Philippines. They are spending enormous sums in maintaining this large force, are building a number of warships, and raising new regiments at home, altogether involving a strain on the national resources which cannot be borne for very long we imagine. Yet the spirit of the haughty nation that was once mistress of nearly the whole of America cannot brook being driven out of its last stronghold there, and so an effort will be made to hold Cuba at all and any cost, even that of a war with the great American Republic. President CLEVELAND and his advisers will not fail to recognise that. Spain is in deadly earnest in this conflict. While most persons will sympathise with her in the tremendous sacrifices she is making to retain her hold on Cuba, it is impossible not to recognise the fact that her misgovernment has brought about the position, and that the incapacity of her generals prolongs the agony. Unless she can come to terms with her colony soon, or reduce it to submission, the American nation will clamour persistently for recognition of the autonomy of the island.

The case brought against Baron de Horn and his Sikh watchman in the Singapore Police Court was concluded on the 11th December. The Court thought the first defendant had committed an offence by dipping the Baba in the sea. The Baron submitted he offered the lad the alternative of baptism or being prosecuted for trespass. The boy went quietly with him. The Court still considered that an offence had been committed, and handed the Penal Code to Baron de Horn to read what constituted criminal force. The Court fined the first defendant \$25; the Sikh \$5.

#### SUPREME COURT.

21st December.

##### IN ORIGINAL JURISDICTION.

BEFORE HIS HONOUR DR. CARRINGTON  
(CHIEF JUSTICE.)

THE BANK OF CHINA, JAPAN, AND THE STRAITS, LIMITED, v. CHEONG YAU TO, CHEONG YAU KUNG, AND TAM SHI.

The plaintiffs sought to recover \$100,000, a debt due on a bond.

Mr. J. J. Francis, Q.C., and Mr. H. E. Pollock (instructed by Messrs. Johnson, Stokes and Master) appeared for the plaintiffs, and Mr. W. V. Drummond, Mr. E. Robinson, and the Hon. Ho Kai (instructed by Mr. Denny's) appeared for the defendants.

The hearing of the case commenced on the 9th October last and lasted six days.

His Lordship delivered the following written judgment:

The writ of summons in this suit was issued on the 10th Sept., 1894. It stated that the defendants were sued as executors and executrix of Cheong Kai, deceased, and it was specially endorsed, under section 13 of the Code of Civil Procedure, with a claim for \$100,000, being the amount due under the joint and several bond of one Cheong Koon Sing and the said Cheong Kai, deceased, to the plaintiff Bank, dated the 25th August, 1891, and conditioned for payment of the sum of \$100,000 on default being made by the said Cheong Koon Sing to perform and observe the duties, obligations, matters, and things contained in the said bond. There was also a claim to have the estate of Cheong Kai administered, but this was not followed up in the petition of the plaintiffs. Nor do the plaintiffs appear to have taken any further steps by way of having their claim dealt with under the above-mentioned provisions of law relating to specially endorsed writs.

The petition was filed on the 20th October, 1894. It set forth that the plaintiff bank was a limited company carrying on the business of a bank in Victoria and at other places in the East; that, at the request of Cheong Kai, the plaintiff Bank, on the 25th August, 1891, engaged his brother Cheong Koon Sing as comrade of the Bank; and that, in consideration thereof, Cheong Kai agreed to become surety to the plaintiff bank to the extent of \$100,000 for the due performance by Cheong Koon Sing of his duties and obligations as such comrade; that upon the same date Cheong Koon Sing wrote a letter of agreement to the plaintiff bank in which he specified the terms upon which he had been engaged and his duties and obligations as comrade; and that Cheong Kai signed at the foot of this letter a declaration whereby he approved of the letter and declared himself liable as surety for the performance by Cheong Koon Sing and his employees of his and their obligations under the letter and under a bond annexed thereto; that this bond was executed on the same date and by it Cheong Koon Sing and Cheong Kai jointly and severally bound themselves, their executors and administrators, to the plaintiff bank, and that one of the conditions of the bond was that "if the said Cheong Koon Sing or his employees in the Bank should be and remain responsible for, and pay on the days when the same should fall due all Chinese bank notes, bills, drafts, promissory notes, and orders and other securities which might thereafter be received or purchased by the said Cheong Koon Sing or by any of the said employees or by the plaintiff bank with the knowledge and consent of the said Cheong Koon Sing, or with such knowledge and consent through any of the said employees, then the said bond should be void and of no effect, but otherwise should be and remain in full force and virtue; and that upon the same date Cheong Kai deposited with the plaintiff bank as a collateral security, the title deeds of certain leasehold property situate in Victoria, and by indenture charged all his interest in that property with the payment of all sums of money, not exceeding \$100,000, which should become payable by Cheong Koon Sing to the plaintiff bank under the letter of agreement or bond, and also with the pay-



ment of all losses, damages, and expenses which should be incurred or sustained by the plaintiff bank under the letter of agreement or bond, such sums of money, losses, damages, and expenses not exceeding in the whole the sum of \$100,000. The petition then proceeded to allege that in the months of February and March, 1892, the plaintiff bank purchased through Cheong Koon Sing, as compradore, from Chinese banks in Hongkong, eleven bills or drafts drawn on Shanghai; that these bills or drafts were dishonoured, involving a loss to the plaintiff bank of \$298,105.29 for principal and interest, loss on exchange and re-exchange, and expenses of noting and protesting and otherwise; that on the 8th March, 1892, the plaintiff bank lent, through Cheong Koon Sing, to a Chinese bank on its promissory note the sum of \$10,000, but the note on being presented was not paid; that Cheong Koon Sing had repaid to or recovered for the plaintiff bank the sum of \$148,684.87 on account of these losses, leaving a balance of \$161,544.38 still owing by him to the plaintiff bank, which he had refused to pay; and that the defendants, on application made to them for that purpose, had also refused to pay this balance. The petition concluded with the prayer that the defendants might be declared indebted to the plaintiff bank in the sum of \$100,000 and be ordered to pay it out of the estate of Cheong Kai, with interest thereon at 8 per cent. per annum from the 10th September, 1894; and that the property mortgaged by Cheong Kai to the plaintiff bank might be ordered to be sold and the proceeds applied in payment of the amount due to the Bank.

By their answer, which was filed on the 15th Nov., 1894, the defendants admitted the writing of the letter of agreement and the execution of the bond by Cheong Koon Sing and Cheong Kai. They also admitted the purchase and dishonour of the bills and the non-payment of the promissory note given to the plaintiff bank for the loan of \$10,000, but they denied that Cheong Koon Sing was responsible for interest or was liable to pay more than the actual loss sustained by the plaintiff bank on the bills. They stated that on the 31st May, 1892, by an agreement made between the plaintiff bank and Kan Sing Toi, a customer of the Bank, the account of Kan Sing Toi with the Bank was debited with a sum of \$97,222.23, being the amount due in respect of the dishonoured bills; that Cheong Koon Sing had no responsibility in respect of this account, which was commenced before he became compradore to the plaintiff bank; that the securities held by the plaintiff bank on this account were more than sufficient to cover the sum of \$97,222.23; and that "the plaintiff Bank released Cheong Kai from all liability in respect of the sum of \$97,222.23 by debiting the account of Kan Sing Toi with that amount, and thus showing the intention to make Kan Sing Toi responsible for and to obtain payment of the deficiency on the bills from him instead of Cheong Koon Sing or Cheong Kai." By an amendment of their answer made, pursuant to an order of the Court, on the 10th August, 1895, the defendants enlarged their defence on this point by stating that "by an agreement made subsequent to the 25th August, 1891, with Kan Sing Toi by the plaintiff bank, at the request of Cheong Koon Sing and without the consent or knowledge of Cheong Kai, to debit the account of Kan Sing Toi with the sum of \$97,222.23, the plaintiff bank took a substituted security, and thus discharged Cheong Kai from all liability;" that "the agreement made with Kan Sing Toi by the plaintiff bank, at the request of Cheong Koon Sing and without the consent or knowledge of Cheong Kai, was an arrangement which materially affected the position of Cheong Kai, and discharged Cheong Kai from all liability;" and that "the agreement made with Kan Sing Toi by the plaintiff bank, at the request of Cheong Koon Sing and without the consent or knowledge of Cheong Kai, was an agreement in effect giving time to Cheong Koon Sing by an implied agreement and discharged Cheong Kai from all liability." The answer then proceeded to specify several sums of money which the defendants submitted should have been credited by the plaintiff bank to Cheong Koon Sing—but which I need not at present specially mention—and it concluded by stating that, according to the true state of the accounts between them, the plaintiff bank was indebted

to Cheong Koon Sing, and that the defendants were not indebted to the plaintiff bank under the bond or indenture of charge dated the 25th August, 1891.

On the 18th July, 1895, the plaintiffs, having obtained leave of the Court for that purpose, filed a replication to the defendants' answer. The replication stated that Kan Sing Toi was a partner in and manager of the Wing Tung Yan Bank and a partner in the Kwong Fuk bank; that he was thus personally liable to the plaintiff Bank and to Cheong Koon Sing for the sum of \$97,222.23, being the amount of the bills purchased by the plaintiff bank from those banks; that, at the request of Cheong Koon Sing and with the consent of Kan Sing Toi, the plaintiff bank debited the account of Kan Sing Toi with that amount in order that if at any time, by the realization of the shares and securities held by the plaintiff bank in respect of that account, there was left any margin to the credit of Kan Sing Toi over and above his debt to the plaintiff bank on that account, it might be applied in reduction of his liability on the bills and of the liability of Cheong Koon Sing; and that Cheong Koon Sing agreed that his liability to the plaintiff bank in respect of the bills should not be released or in any way diminished by reason of Kan Sing Toi being so debited. The replication then dealt with the allegations of the answer that certain sums should have been credited to Cheong Koon Sing, and it concluded with the statements that, upon the true state of the accounts, Cheong Koon Sing was still indebted to the plaintiff bank in the sum of \$161,544.38; that any securities which the plaintiff bank held in respect of that debt would, upon payment of it, be transferred to Cheong Koon Sing or as he should appoint; and that the defendants, as executors of Cheong Kai, were indebted to the plaintiff bank in the sum of \$100,000, part of the said sum of \$161,544.38, and for interest. It is to be observed that the answer of the defendants was amended by stating in various ways the effect of the arrangement made between the plaintiff bank and Kan Sing Toi after the filing of the replication, and therefore the replication does not deal with those amendments.

This is the substance of the pleadings between the parties. There was no settlement of issues, but I think it will be apparent from a perusal of the pleadings that the principal question in controversy between the parties was as to the effect of the agreement made between the plaintiff bank and Kan Sing Toi upon the liability of Cheong Koon Sing and therefore upon the position of Cheong Kai as his surety. Accordingly at the hearing the contest, both as regards evidence and argument, was mainly centred round this point.

On these pleadings the cause was heard before Sir Fielding Clarke, the late Chief Justice, on the second and third days of September, 1895. It then appeared from the evidence of Mr. Darby, the accountant, and Mr. Inchbald, the manager, of the Bank, that since the institution of the suit the Bank had been wound up and its assets, rights, and liabilities (including all its rights in respect of the matters in controversy in this suit) assigned to a new company called "The Bank of China and Japan, Limited." It was accordingly ordered that, on the application of the plaintiffs, the further hearing should be adjourned *sine die*, and that the plaintiffs should have leave to amend their petition by stating therein the assignment of rights to the new Bank. This was accordingly done, and the defendants amended their answer by adding a paragraph in denial of the alleged assignment and of the right of the Bank of China and Japan, Limited, to carry on and continue the suit in the name of the plaintiff bank. It may at once, however, be said that this denial was not followed up, and that the fact of the assignment was sufficiently proved by an affidavit of Mr. Campbell, the liquidator of the plaintiff bank, which the plaintiffs had obtained leave of the Court to use at the hearing. For the sake of convenience the expression "the Bank" will hence forward be used to denote the plaintiff bank.

The cause came on for hearing before me on the 9th October last, when it was agreed by the parties that it would be more convenient that it should be entirely re-heard, and this was accordingly done. The hearing lasted six days,

and the case was conducted with much ability by counsel on both sides.

The evidence consisted on the part of the plaintiffs of the affidavit of Mr. Campbell already mentioned and of the *de bene esse* examination of Mr. Darby, the accountant of the Bank, taken before the Registrar. On the part of the defendants, Cheong Koon Sing was examined and cross-examined at considerable length. A number of documents were produced in evidence by Mr. Darby and Cheong Koon Sing respectively. The evidence on the one side and on the other is conflicting in many respects and especially with regard to the nature and incidents of the arrangement made between the Bank and Kan Sing Toi. I propose to state the substance of the evidence and to set forth the reasons which have weighed with me in accepting the version of facts which I have adopted.

The Bank had formerly been a trust and loan agency under the name of "The Trust and Loan Company of China, Japan, and the Straits, Limited." In 1891 the company was converted into a bank under the name of the Bank of China, Japan, and the Straits, Limited. Mr. Darby joined the Bank as accountant about the time of its establishment, and Mr. Inchbald became manager apparently in the early part of 1892. Until August, 1891, the Bank had no compradore, but on the first day of that month they engaged the services of Cheong Koon Sing as compradore, and his elder brother, Cheong Kai, became surety for him. Cheong Kai had been the compradore of the Hongkong Club, and was apparently possessed of considerable property. On the 25th August, 1891, Cheong Koon Sing and Cheong Kai signed the letter of agreement and executed the bond mentioned in the petition. The bond contained a clause reserving the right to Cheong Koon Sing and Cheong Kai, or either of them, to determine it on giving to the obligees six months' notice in writing of their intention to do so. On the same day Cheong Kai executed the indenture of charge and mortgage mentioned in the petition.

No question arose between the Bank and Cheong Koon Sing for some months after he had entered on the performance of his duties, and indeed it may here be said that Mr. Darby speaks of him generally as having discharged his duties to the satisfaction of the Bank. In the months of February and March, 1892, the Bank purchased from five Chinese banks in this colony, through and on the recommendation of Cheong Koon Sing, eleven bills or drafts on Chinese banks and firms at Shanghai. One of these bills was subsequently paid in Hongkong and it is therefore unnecessary to take further account of it. The remaining ten bills were drawn by the banks on the dates and for the amounts mentioned below. They were in the English language. The first of the bills was drawn in favour of the Bank, but the remaining nine were drawn in favour of Cheong Koon Sing and endorsed by him to the Bank. This was done by direction of Mr. Inchbald, in order to prevent any question arising as to whether the bills had or had not passed through the hands of Cheong Koon Sing:

		Taels.	Taels.
Tsai Shing	26th Feb., 1892	20,000	20,000
Wing Tung Yan	27th Feb., 1892	20,000	
Do.	7th March, 1892	20,000	40,000
Kwan Yu	27th Feb., 1892	10,000	
Do.	7th March, 1892	10,000	20,000
Kung Tai	1st March, 1892	20,000	
Do.	3rd March, 1892	20,000	60,000
Do.	24th March, 1892	20,000	
Kwong Fuk	12th March, 1892	20,000	30,000
Do.	14th March, 1892	10,000	
		Total 170,000	

Beside these bills the Bank also, through and on the recommendation of Cheong Koon Sing, on the 8th March, 1892, advanced a sum of \$10,000 to the Kwan Yu Bank, taking its promissory note for that amount. The total amount disbursed by the Bank for these bills and note was \$244,067.23.

At the time of these transactions there was in the colony a man named Lo Hok Pang, who was the compradore of the Hongkong and Shanghai Banking Corporation. He was a prominent and influential member of the Chinese community, and was reputed to be



possessed of great wealth. He was a partner in all the five banks mentioned above, except the Tsau Shing. There was also at the same time another Chinaman named Kan Sing Toi, who was regarded by the Chinese as a man of considerable financial status. He was a partner in two of the above-mentioned banks, namely, the Wing Tung Yan and the Kwong Fuk, and was also the manager of the former bank. His name appeared on the two bills of the Wing Tung Yan Bank as one of the parties to them. He had a private advance account with the Bank, and was in the habit of depositing certificates of shares in companies and other securities to cover the advances made to him on that account. This account was in existence before Cheong Koon Sing became compradore to the Bank, and it is admitted that he had no connexion with or responsibility for it. It was the custom of the Bank to make a valuation of the securities held by them on this account at the close of each month, and to send a copy of it to the head office in London. On the 29th February, 1892, Kan Sing Toi's indebtedness to the Bank on this account was \$597,344.22 and the securities were valued at \$667,646.00. There was, therefore, on that date a surplus or margin, in his favour of \$68,301.78.

Apparently without any warning, in March, 1892, a crisis of a grave character arose among the Chinese banks and firms in Hongkong and Shanghai. The crisis seems to have been immediately brought about by the disappearance from the colony of Lo Hoh Pang. This event took place on the 26th March, 1892. Cheong Koon Sing heard of it on the morning of the following day, the 27th March, 1892, and he seems to have at once suspected, and with good reason, that the banks which had drawn the bills and made the promissory note would suspend payment and that he and his surety might thereby become involved to a very large extent. He accordingly spent the morning in making visits to the banks concerned—which, although the day was Sunday, were, in accordance with Chinese custom, open for business—with a view of ascertaining from their managing partners what were their chances of tiding over the crisis and especially how they proposed to meet their liabilities to himself and the Bank. According to his account, he received from the Tsau Shing, Kwan Yu, and Kung Tai Banks assurances that their position was not endangered or at any rate not made desperate, and, what was more to the point, contributions of Chinese promissory notes and other securities to enable him to meet in part their engagements, on which he was also liable. He obtained from the Tsau Shing Bank a promissory note for Tls. 10,000 made in their favour by Tsang Taotai at Swatow and \$5,000 or \$5,500 in cash; from the Kwan Yu and Kung Tai Banks an assignment of a property in Saigon; and from the Kung Tai Bank 500 shares in the plaintiff bank. He was not successful in his application to the Wing Tung Yan and Kwong Fuk Banks—in the case of the former, because he was not able to find the managing partner, Kan Sing Toi, at the offices of the bank. He was asked in cross-examination why, when he did not find Kan Sing Toi at the Wing Tung Yan Bank, he did not go to seek him at his house, and he said in answer that he did not know where he lived and that it would have been improper, according to Chinese ideas of etiquette, for him to make inquiries on the subject. It is to be remembered that the bills of the two banks in which Kan Sing Toi was interested represented a sum of Tls. 70,000 or \$97,222.23 in local currency, and there can be no doubt that Cheong Koon Sing was very anxious to come to some understanding or settlement with Kan Sing Toi in order to protect himself.

About 2 p.m. on that Sunday, he went to the residence of Mr. Darby and told him of what had occurred, and the two of them went to the offices of the Bank, arriving there between 2.30 and 3 p.m. No doubt he went to Mr. Darby instead of Mr. Ingham because the latter gentleman had only recently assumed the management of the Bank, while the former had been employed as its accountant for some time. Mr. Darby states that he had "a long interview" on the day in question with Cheong Koon Sing. But it does not appear that any-

thing material was said or done until Kan Sing Toi arrived at the Bank. He was fetched thither by Cheong Koon Sing at the instance, as Cheong Koon Sing says, of Mr. Darby. It is unfortunate that the only witnesses who have given evidence as to the conversation which then took place are Mr. Darby and Cheong Koon Sing. They are both interested witnesses, but no doubt Cheong Koon Sing has a much more direct and real interest in inducing the Court to accept his version of the transaction than Mr. Darby can have on his side. In any case their statements as to what took place with regard to this matter of vital importance are in conflict with one another, and I have to determine for myself which of them I will believe. In forming an opinion on this point it is necessary to have regard to the relative truthfulness of the two men as I conceive of it, to the inherent probabilities of the matter, and to the subsequent conduct of the parties concerned.

Let us consider first Mr. Darby's version of the conversation and what was done in the course of it. In his examination-in-chief he does not give any details of the conversation, but merely speaks of the documents which were written at the interview and to which I will presently refer. In cross-examination he makes the following statement:—"During the interview with Kan Sing Toi and the compradore and myself, I do not remember the compradore taking me aside. I cannot swear positively either way. It is five years ago nearly. I do not remember the compradore having asked me to get Kan Sing Toi to pledge his margin on his share accounts against any possible loss on the Wing Tung Yan and the Kwong Fuk bills. I don't remember whether the compradore inquired of me during that interview whether Kan Sing Toi had a good margin on his loan account. I know something was said about the margin on Kan Sing Toi's account during that interview. I think I brought up the matter—I cannot swear." Evidence of this kind is not very satisfactory from the point of view of clearness and definiteness, but at any rate it shows that Mr. Darby would not force his memory to testify in favour of the Bank's position in this case. In re-examination he affirms that he never gave Cheong Koon Sing to understand, either directly or indirectly, that the debiting of Kan Sing Toi's account with the value of the four bills of the Kwong Fuk and Wing Tung Yan Banks would diminish his liability in any way. There is no further evidence obtained by either party from Mr. Darby with regard to the terms of the conversation otherwise than as relating to the documents already mentioned. With regard to these documents Mr. Darby says that "he prepared two documents for Kan Sing Toi's signature." The first document was in the following terms:—

Hongkong, 26th March, 1892.

The Manager, the Bank of China, Japan, and the Straits, Limited, Hongkong.

Dear Sir,—With regard to all acceptances in the possession of your Bank on this date, drawn by the Kwong Fuk Bank or Wing Tung Yan Bank of Hongkong on Yuen Loong, Shanghai, I hereby guarantee that same shall be paid at maturity and I hereby authorize you to retain any margin there is, or may be, on my account with your bank, to liquidate any debt which may be owing to you through the default of above banks or firms to protect such acceptances.

It may be noted that this letter is wrongly dated the 26th instead of the 27th March.

This letter Kan Sing Toi declined to sign, and Mr. Darby says that the reason which he gave for this refusal was that "it included the Wing Tung Yan Bank, which at that moment had not closed its doors." Mr. Darby thereupon wrote another letter of the same purport, with the exception that the name of the Wing Tung Yan Bank does not appear in it. This letter also Kan Sing Toi declined to sign, for the reason, as stated by Mr. Darby, that it was in English and he could not understand English. Kan Sing Toi then wrote and gave to Mr. Darby a Chinese document, of which the following is a translation:—

If Kwong Fuk Bank are indebted to Wai Tung & Co. (Bank of China, Japan and The Straits) for any money on account of drafts, I am willing to allow the margin money of all my shares I have pledged in the Wai Tung Bank to be deducted (set off). There shall be no discussion to the contrary and nothing further.

Kwong Sui, 18th year, 2nd moon, 29th day (27th March, 1892).

(Sd.) Kwan Sing Toi.

Cheong Koon Sing's account of the conversation at the interview is fuller and more precise. It is in substance to the effect that Kan Sing Toi was angry at his pressing him as to how he proposed to meet the bills amounting to Tls. 70,000 of the two Banks, that he (Kan Sing Toi) then said to Mr. Darby that he had got "too much shares inside the Bank" and had "got a margin too," and that he (Mr. Darby) could "put his account," and that Mr. Darby nodded his head. He says he then took Mr. Darby aside and asked him whether Kan Sing Toi had shares in the Bank and had a margin also, and Mr. Darby said "Yes, he had plenty." He proceeds to say that Mr. Darby then wrote a paper in English and offered it to Kan Sing Toi to sign, but he refused to sign it on the ground that he did not understand English; that Mr. Darby wrote a second paper in English and offered it to Kan Sing Toi's signature, but he refused to sign that also, alleging the same reason for his refusal, and that Kan Sing Toi then wrote and delivered to Mr. Darby the Chinese document, of which a translation has been set out above. He states that, on Mr. Darby's asking him to translate the document, he exclaimed to Mr. Darby that only the name of the Kwong Fuk appeared in it and the name of the Wing Tung Yan was absent, whereupon Kan Sing Toi explained that he was the manager and sole owner of the Wing Tung Yan; that he had put his name on the two bills of that bank; and that it was therefore unnecessary for him to put the name of that bank in the document. He adds that he asked Kan Sing Toi to "pay" (meaning, apparently, to "hand over") some Chinese promissory notes which he had with him; that Kan Sing Toi pulled out twenty or thirty such notes, for sums amounting to about \$100,000, and tendered them to Mr. Darby, and that the latter declined to take them. Then he says he explained the contents of the Chinese document in pidgin English to Mr. Darby, and Mr. Darby then called him aside and said to him, "Kan Sing Toi pidgin finish, alright, don't you sorry. You go other bank; you do your best." Then he says he went away, leaving Mr. Darby and Kan Sing Toi together. His evidence proceeds as follows:—"After the interview I took no steps to get securities from the Kwong Fuk or the Wing Tung Yan Banks; I thought the matter was settled. Mr. Darby, Kan Sing Toi, and I had agreed that Kan Sing Toi's share account should have entered in it the liabilities of the Kwong Fuk and the Wing Tung Yan on the four bills. I took no further steps after this with regard to the four bills of these two banks. After this interview I took further steps about the other three banks and recovered money and securities from them."

This evidence was given in his examination-in-chief. In his cross-examination he said that Kan Sing Toi "agreed that his shares in the hands of the plaintiff bank should be used to meet his liabilities in respect of the Wing Tung Yan, but he said there was no need to put it in writing," and he mentioned both the Kwong Fuk and Wing Tung Yan, the liability in respect of both being Tls. 70,000. With regard to the two letters written by Mr. Darby for Kan Sing Toi to sign, he says that the only reason which Kan Sing Toi gave for not signing the first letter was that it was in English and he could not understand it, and he is unable to explain why Mr. Darby should, under those circumstances, have written and tendered a second letter in English.

These are the two versions before the Court of this important conversation. They are clearly not consistent with one another. According to Mr. Darby, the effect of that conversation was that Kan Sing Toi agreed to give the Bank, for the sake of convenience, and by way of additional security, a ready recourse to any margin or balance on his private account to cover any losses occasioned to the Bank by the dishonouring of the Kwong Fuk bills. He was asked nothing in cross-examination as to his having, at the time, and on account of accepting this additional security, released Cheong Koon Sing from liability in respect of the bills of the two banks in question or either of them.



On the other hand Cheong Koon Sing's version is to the effect that Mr. Darby expressly released him from further liability in respect of these bills, and agreed to accept the right of appropriation given by Kan Sing Toi in lieu of that liability.

Of these two discordant versions I believe that given by Mr. Darby as against that given by Cheong Koon Sing, and I propose to state briefly the reasons which have weighed with me in arriving at this conclusion. In the first place, I have formed the opinion that Mr. Darby is a more truthful and candid witness than Cheong Koon Sing. It is true that I did not have an opportunity of seeing Mr. Darby under examination, but the Registrar, before whom he was examined *de bene esse*, informs me that, although his memory seemed to be pretty often at fault, yet he gave his evidence in an apparently truthful manner. His evidence reads as that of a man not in any way desiring to strain the truth. But I cannot say that I was favourably impressed with Cheong Koon Sing as a witness. He appeared to me to be an exceedingly astute and intelligent man who carefully weighed his answers to the questions put to him and was anxious that they should accord with the case put forward for the defence. His evidence was given through an interpreter, and I am inclined to think that he knew English sufficiently well to be able, generally speaking, to know what the question was before it was interpreted to him. I have already adverted to the subject of the relative interest of the two witnesses in the result of the suit. Then, to come to the subject-matter of the agreement as alleged by Cheong Koon Sing, it may be asked why should Mr. Darby have made such an agreement? It is not disputed that Kan Sing Toi was expressly liable on the Wing Tung Yan bills as a party to them and ultimately liable on the Kwong Fuk bills as a partner in that bank. Why then should Mr. Darby, merely for the sake of the Bank being granted an easy way of bringing home this liability, surrender its right to call on Cheong Koon Sing to make good the losses in respect of those two banks? In answering this question we must remember that the margin made available under the alleged agreement was, at the last valuation of the securities, nearly \$30,000 short of the required amount, and also that Mr. Darby must have known that the value of the shares held for the account would probably fall in consequence of the financial crisis. Again, it is easy to understand that Mr. Darby should conclude such an arrangement as that described by himself without reference to Mr. Inchbald, but it is far from being easy to understand how he could make such an arrangement as that alleged by Cheong Koon Sing without such a reference. It may also be pointed out that, as regards the documents written at the interview, the internal evidence supplied by the documents themselves is more consistent with the story told by Mr. Darby than with that told by Cheong Koon Sing. Why, for instance, should Kan Sing Toi have given, at one and the same time, an express permission in writing in the case of the Kwong Fuk bills and only a verbal permission in the case of the Wing Tung Yan bills? I have already referred to the absence of cross-examination of Mr. Darby with respect to the alleged agreement. It is true that Mr. Darby was asked whether Cheong Koon Sing took him aside at the interview, but I do not understand why this question was not followed by the more material question whether he spoke to Cheong Koon Sing the words which are set up as an express release of the latter's liability. It was further observed by Mr. Francis that the defendant's answer did not set forth any express release or indeed any specific agreement at all between Mr. Darby and Cheong Koon Sing, and it is difficult to conceive how or why Cheong Koon Sing should not have furnished them with information on this point at any rate in time for the framing of the amended paragraphs of the answer, which were not filed until the 10th August, 1895. It may deserve mention in this connexion that in one of these amended paragraphs as it originally stood the defendants alleged that "the plaintiff bank took an additional security from Cheong Koon Sing and that discharged Cheong Kai from all liability," and that at the hearing, at Mr.

Drummond's request, the words "a substituted security" were inserted in lieu of the words "an additional security" from Cheong Koon Sing. As a last reason which has influenced my mind in deciding this question of the relative truthfulness of these witnesses, I may say that the evidence of Mr. Darby as to what was said and done at the interview of the 27th March, 1892, is borne out by the subsequent conduct of the parties, while the evidence of Cheong Koon Sing on the same points cannot be reconciled with such conduct.

Before I proceed to consider that conduct it may be well to mention two or three facts in the case.

Both Mr. Darby and Cheong Koon Sing say that they saw Cheong Kai on the 27th March, 1892, but Mr. Darby does not speak of any conversation taking place with him. At the interview of the 27th March and on the following day Cheong Koon Sing delivered to Mr. Darby Chinese promissory notes and other securities which he had obtained from the Tsau Shing, Kwan Yu, and Kung Tai Banks and which amounted in value to about \$100,000. These documents were merely kept by the Bank for safe custody and were realised from time to time by Cheong Koon Sing and the proceeds paid by him to the Bank in discharge of his liability on the bills and note. The whole amount was got in with the exception of some few thousand dollars—Mr. Darby says "inside of \$5,000."

The ten bills were all dishonoured in consequence of the failure of the drawers at Shanghai. The banks in Hongkong by which they were drawn also suspended payment from time to time, the latest about two months after the 27th March, 1892. The promissory note of the Kwan Yu Bank was not paid. Kan Sing Toi absconded from the colony one or two months after the same date.

I come now to the consideration of the conduct of the Bank and of Cheong Koon Sing as throwing light upon the proceedings at the interview of the 27th March.

On the 30th March, 1892, the Bank opened an account in their books called the "Comptroller's Liability Account." In this account they debited Cheong Koon Sing with the amount of all the dishonoured bills, including those of the Kwong Fuk and Wing Tung Yan Banks, and the unpaid note, and with interest and other charges in respect of them, and credited him with payments made in reduction of his liability. Mr. Darby says that Cheong Koon Sing was not furnished with a copy of the account, but that he knew of the existence of the account and could have seen it at any time or obtained a copy of it. This statement is both reasonable in itself and consistent with what I take to be the characters of the men concerned. It must be remembered that Mr. Darby speaks of Cheong Koon Sing as a capable and efficient servant of the Bank, while Cheong Koon Sing on his side speaks of his always finding Mr. Darby straightforward in his dealings with him. It must also be remembered that he was at the Bank every day engaged in the performance of his duties, and no doubt in constant intercourse with Mr. Darby. In these circumstances it was only natural that Cheong Koon Sing should be made acquainted with the particulars relating to such an important transaction, in regard to which he and the Bank were co-operating towards the reduction of his large liability to them. In the plaintiffs' petition it was alleged that detailed accounts of the transactions and of the moneys due by Cheong Koon Sing were furnished to Cheong Kai during his lifetime, but at the hearing it was admitted on the part of the plaintiffs that this allegation could not be sustained and that the accounts were only furnished to his executors, the defendants. This, no doubt, was an omission to do something which it would have been better for the Bank to do, but it may be pointed out that the bond of Cheong Koon Sing and Cheong Kai contained an express stipulation that it should not be necessary for the Bank to notify any such entries to Cheong Kai or to inform him of any losses sustained by the Bank through Cheong Koon Sing. Further, Mr. Darby says that Cheong Kai knew of the existence of this account, that he often came to the Bank in connexion with this business, that he frequently

had conversations with him on the subject, and that he was kept acquainted with the state of affairs from time to time. The charging of Cheong Koon Sing in the account with the losses on the Kwong Fuk and Wing Tung Yan bills at so early a date after the 27th March is, in the absence of fraud on the part of the Bank—which is not alleged by the defendants—consistent with Mr. Darby's version of the events of that day, but is inconsistent with Cheong Koon Sing's rendering of them.

The next event of importance took place on the same day as the opening of the liability account, namely, on the 30th March, 1892. On that day the following letter in the handwriting of Mr. Darby and signed by Mr. Inchbald was addressed to and signed by Cheong Koon Sing:—

The Bank of China, Japan, and the Straits, Ltd.  
Hongkong, 30th March, 1892.

Mr. Cheong Koon Sing, Comptroller, the Bank of China, Japan, and the Straits, Ltd., Present.

Dear Sir,—I have the regret of confirming to you my verbal statement of the 27th inst. that the drawers of our Chinese remittances on Shanghai would not meet their acceptances if the drawers of the bills failed under the pressure of the "run" which was taking place on the four Chinese banks—

Wing Tung Yan      Kung Tai  
Kwan Yu      Kwong Fook

I have been since informed by wire that the Yuen Loong Hong has been closed and that the Shui Tai Hong has failed.

In other words, I have to look to you for payment to us at once of the following drafts purchased direct from you: [Here follow particulars of the bills, not including those of the Tsau Shing Bank, which have already been given in this judgment. The Tsau Shing Bank was apparently not included because it was thought that, as Lo Hok Pang was not connected with that Bank, it would not close its doors.]

You have recourse against Yek Mow for Tls. 20,000 and this security seems to be good.

The last bill for Tls. 20,000 on Shui Tai has not been accepted.

I shall be glad of an answer as soon as possible, so that I may take the necessary steps to secure the Bank's interests.—I am, dear sir, yours faithfully,

CHANTREY INCHBALD,  
Manager.

I would also remind you that you have not yet credited the cash with the Bank's local advance of \$10,000 to Kwan Yu guaranteed by Lo Hok Pang, on demand, which I instructed you to cash on 27th inst.

This letter of course made it perfectly clear that the Bank held Cheong Koon Sing liable for the losses occasioned to the Bank by the dishonouring of the Kwong Fuk and Wing Tung Yan bills, and, if the idea of fraud is excluded, it is entirely inconsistent with the fact of the Bank having in any way released him from that liability. It was written by Mr. Darby, who is alleged to have given that release. In cross-examination Cheong Koon Sing was asked whether he had made any representation to Mr. Darby as to his duplicity in acting in this way and he admitted that he had not. Then he was asked why he had not done so, but he could make no answer to the purpose. He says that when he received the letter he got a Portuguese clerk of the Bank to explain it to him, and he was troubled in his mind when he found that the question of the Kwong Fuk and Wing Tung Yan bills, which had been settled between Mr. Darby, Kan Sing Toi and himself on the 27th March, 1892, was raised again. He accordingly took Kan Sing Toi to see Mr. Inchbald, and he relates a short conversation which took place between them. Without going into details, it is sufficient to say that this conversation throws no light whatever on the question in controversy in this part of the case, namely, whether the arrangement for charging Kan Sing Toi's account with the losses on the Kwong Fuk and Wing Tung Yan bills was or was not accompanied with a release of Cheong Koon Sing from liability in respect of those bills. In other words, the conversation is consistent with either contention. I cannot help thinking it strange that Cheong Koon Sing did not take Kan Sing Toi to see Mr. Darby, who had made the alleged agreement, and seek an explanation from him.

In answer to this letter Mr. Darby wrote and Cheong Koon Sing signed the following letter:—



Hongkong, 1st April, 1892.  
The Manager, the Bank of China, Japan, and the Straits, Ltd., Present.

Dear Sir,—In reply to your letter of 30th March stating that you hold me responsible for Taels 150,000, being amount of drafts on insolvent firms in Shanghai, I now beg to hand you promissory notes to the value of \$71,800 made out in your favour by responsible Chinese firms. Please return me later on dishonoured acceptances for a like amount.—Yours faithfully,

CHEONG KOON SING.

I shall shortly hand you further cover, i.e., as soon as possible, but I hope the Bank will not press me too much.

C. K. S.

There is no evidence on the point, but it seems to me probable that the postscript of this letter was added at the instance of Cheong Koon Sing.

Subsequently, Mr. Darby—at the request, as he says, of Cheong Koon Sing—wrote and Cheong Koon Sing signed the following letter:—

The Bank of China, Japan, and the Straits, Ltd., Hongkong, 31st May, 1892.

The Manager, the Bank of China, Japan, and the Straits, Ltd., Present.

Dear Sir,—With reference to the Chinese bills purchased by you from me, drawn by the Wing Tung Yan and Kwong Fook banks on Shanghai, amounting to Taels 70,000 and for which Kan Shing Toy is liable either as drawer or guarantor, I shall be much obliged if you will debit Kan Shing Toy's account in your books with the amount now standing at my debit in respect of these bills, and such entry shall not in any way release me from my responsibility as your comrade in the matter.—I am, dear sir, yours faithfully,

CHEONG KOON SING.

Next Mr. Darby wrote and Cheong Koon Sing signed the following letter. Mr. Darby states that Cheong Koon Sing got this letter written because he was afraid that the letter of the 31st May, 1892, might let him in for liability on any deficiency that might arise on Kan Sing Toy's account.

Hongkong, 3rd June, 1892.

The Manager of the Bank of China, Japan, and the Straits, Ltd., Present.

Dear Sir,—Referring to your having debited Kan Shing Toy's account with the following entries:—

\$27,777.78	equivalent at 72 of Tls.	20,000
27,777.78	" " " "	20,000
13,888.89	" " " "	10,000
27,777.78	" " " "	20,000

\$97,222.23 equivalent at 72 of Tls. 70,000 being unpaid bills drawn by the Wing Tung Yan bank and the Kwong Fook bank, for which Kan Shing Toy is liable as drawer, endorser, or guarantor, and payment of which was guaranteed by me, I agree that my position towards the Bank remains the same as if no such debit entry had been made on your books, and I also agree

(1)—To make good any deficiency—up to but not exceeding the above mentioned sum of \$97,222.23— which there may be in Kan Shing Toy's account after realisation of the securities held by you, which securities you may dispose of whenever you please, without reference in any way to me.

(2)—To make good to the Bank, should they call upon me to do so, the deficiency shown by the Bank's books in respect to the aforesaid unpaid bills on the date on which such call is made, such payment to release my guarantee of Kan Shing Toy's account as given in para. 1.—I am, dear sir, yours faithfully,

CHEONG KOON SING, Comrade.

I will presently consider what is the effect of these four letters. But it is necessary in the first instance to determine whether any effect at all should be allowed to the three of them which are written by Mr. Darby and signed by Cheong Koon Sing. Mr. Darby says that he fully explained these letters to Cheong Koon Sing before they were signed, and in particular that he "went over the first of them line by line with him." With regard to this letter Cheong Koon Sing at first said, in reply to Mr. Drummond, that Mr. Darby "explained the contents of the letter to him in pidgin English; he told him something about Tls. 70,000." At this point Mr. Francis interposed with an objection that, the defendants not having pleaded any defence of fraud or misrepresentation on the part of the Bank, evidence could not be given to show that this letter had been obtained by any fraud or misrepresentation on Mr. Darby's part. The Court, however, allowed the examination to continue, and Cheong Koon Sing then modified his previous statement by saying that Mr. Darby "said only a few

words in pidgin English." With regard to the second of the three letters, he says that "it was not explained to him that he was asking the Bank to debit Kan Sing Toy's account with Tls. 70,000 and that he was still to remain liable for it," and that "if he had known that all this was in the letter, he would not have put his signature to it." With regard to the third of the three letters, he says Mr. Darby said a few words, but in substance he asserts that it was not explained to him. With respect to each of the three letters he makes the statement that he thought it was "of no importance, so he signed it."

Now, as Mr. Francis argued, there is no allegation of fraud or misrepresentation made against the plaintiffs in the pleadings, nor is there in the evidence of Cheong Koon Sing any express charge of bad faith or misrepresentation made against Mr. Darby. But certainly these assertions of his go very near such a charge. For the reasons, however, which I have already given with respect to the relative credibility of these two witnesses, I accept the statement of Mr. Darby that he explained the letters to Cheong Koon Sing. Further, I am of opinion that Cheong Koon Sing is too shrewd and experienced a man of business to put his signature to a letter of which he did not understand the purport. I am also of opinion, from various features of evidence in the case, especially from the account given by himself of his education, training, and business career, and from my observation at the hearing, that Cheong Koon Sing has minimized his knowledge of the English language, both as spoken and as written. It is also matter for observation that there is nothing unfair or unconscionable as regards Cheong Koon Sing in the letters; they merely give effect to the arrangement which Mr. Darby says was made between the three parties concerned on the 27th March, 1892. On the other hand it may be asked, is it fair or reasonable of Cheong Koon Sing to desire or endeavour to disclaim an admitted liability in respect of the bills of the two banks in question because the Bank, in his aid and for his advantage, was making an effort to get that liability discharged with the moneys of Kan Sing Toy? It was even, for his benefit, going (according to Mr. Darby) beyond the authorization given by Kan Sing Toy, because the Bank was charging on his account the Wing Tung Yan as well as the Kwong Fook bills. At the same time I cannot help thinking that it would have been more prudent for the Bank to have allowed or directed Cheong Koon Sing to have the letters written by some person not in their employment.

These four letters, then, are consistent with and support the contention of the plaintiffs as to what took place at the interview of the 27th March, 1892; they are inconsistent with and tend to rebut the contention of the defendants with respect to the same matter.

In accordance with the request made in Cheong Koon Sing's letter of the 31st May, 1892, the Bank on that date debited the account of Kan Sing Toy with the sum of \$97,222.23, being the amount in local currency of Tls. 70,000, the face value of the bills drawn by the two Banks with which he was connected. The Bank was empowered to make this charge by the terms of a general letter of hypothecation given to it by Kan Sing Toy on the 25th August, 1891. It is material to observe that the entry was not accompanied by any corresponding entry in the Comrade's Liability Account, reducing *pro tanto* the amount of his liability, as it would have been if the Bank had intended to relieve him from liability in respect of the bills in question. Interest on the amount was charged in the Comrade's Liability Account and not—except in an isolated instance—in Kan Sing Toy's account. Mr. Darby says that Cheong Kai "on more than one occasion asked the Bank not to press him for an immediate settlement, in the hope that there might be some margin on Kan Sing Toy's securities." There was never any such margin, and the liability of Cheong Koon Sing was never in any way reduced by the arrangement for debiting Kan Sing Toy's account. On the 30th June, 1894, the entry was, apparently in accordance with instructions received from the head office in London, written off the account.

During the years 1892-94 payments of large sums of money were made by Cheong Koon Sing to the Bank in liquidation of his liability, and there were also various transactions between the parties, especially in regard to a property in Saigon, of which Cheong Koon Sing had obtained an assignment from the Kwai Yu and Kung Tai Banks. It does not appear to be necessary for me to refer to these matters in detail.

Cheong Kai died in the month of January, 1894, and probate of his will was granted to the defendants. Not long afterwards they gave notice in writing to the Bank to determine the bond. The notice expired on the 22nd September, 1894, and the Bank furnished the defendants with an account, made up as on that date, showing the particulars of their claim against the estate of Cheong Kai. The writ was issued some days before the expiration of the notice, but it was agreed between the parties at the hearing that the accounts should be treated as if they had been made up on the date of the issue of the writ.

Cheong Koon Sing remained in the employment of the Bank as their comrade until the liquidation of the old Bank on the 28th September, 1894, according to Mr. Darby, and until the 4th October, 1895, according to himself. He admitted that he had not during that time taxed Mr. Darby with bad faith in departing from the agreement of the 27th March, 1892, although he must have known by October, 1894, what the claim of the plaintiffs and the defence of the defendants were respectively.

These are the facts of the case as I find them. It remains to consider what are the rights and obligations in point of law of the parties as growing out of these facts. It was well said by Mr. Drummond in the course of his address that "the law formed a very small part of the case, and that the main difficulty was in deciding as to the effect of the evidence." The position of the parties in the suit may be broadly stated as follows. The defendants do not deny the execution by their executor of the bond of suretyship, nor do they dispute that the losses on the dishonoured bills and note come within the scope of the bond and that they are therefore in the first instance liable to the Bank for those losses, but they contend, first, that the Bank has, by its conduct in the matter, discharged them in construction of law from that liability, and, secondly, that, if they are not so discharged, on the true state of the accounts between them, Cheong Koon Sing is not indebted to the Bank but the Bank is indebted to him, and therefore they in turn are not indebted to the Bank.

The first of these defences was formulated by Mr. Drummond in the following terms:—"That the effect of the arrangement made between the creditor (the Bank), the debtor (Cheong Koon Sing), and Kan Sing Toy was to discharge the surety, Cheong Kai, first, by depriving him of a remedy to which he was entitled, or, in other words, by making a material alteration in the debtor's position without the assent of the surety and without any reservation of the rights of the creditor against him; secondly, by giving time to the debtor; and, thirdly, (a) by discharging the debtor and (b) by taking substituted security."

With regard to the point as to depriving the surety of a remedy to which he was entitled, it was said, in further explanation, that before the agreement the debtor could have sued Kan Sing Toy, but that the effect of the agreement was to preclude him from doing that afterwards.

Let us take these points in their order. In de Colyar's Law of Guarantees, second edition, p. 351, under the heading of "conduct of the creditor which discharges the surety," there occurs the following passage:—"First, any material variation of the terms of the contract between the creditor and the principal debtor will always discharge the surety; and, secondly, a variation of those terms which is not material will also discharge the surety if it clearly appears that he became surety on the faith of the original contract, or if he has made those terms part of his own contract. And if notice was given to the surety of the terms of the contract between the creditor and the principal debtor, and after such notice he executed the guarantee, he is held to have become surety on the faith of



the original agreement. In the present case, the surety had express notice of the terms of the contract made between the creditor and the principal debtor, as set out both in the letter of agreement and in the bond, and therefore, if the creditor made any variation, whether material or not, of the terms of that contract, the case falls within the rule thus laid down and the surety is discharged. But the question is, was there any such variation made by the creditor? What were the terms of the contract on this point? They were that Cheong Koon Sing was to be responsible for and pay on the days when the same should fall due all Chinese bank notes, bills, etc., which might be received or purchased by him or his employees for the Bank. Putting out of view for the moment the question of the release of the principal debtor, which falls under another head of the defence, as stated above, it may be asked what variation of the contract was effected by the arrangement made at the interview of the 27th March, 1892? According to his own showing, Cheong Koon Sing was not a party to the arrangement. It was made entirely by Mr. Darby and Kan Sing Toi. And as to its effect being to deprive Cheong Koon Sing of a remedy to which he has entitled against Kan Sing Toi, I can find no real ground for this contention. If even the Bank was precluded by the arrangement from suing Kan Sing Toi until his shares had been realized, Cheong Koon Sing was no party to and was not bound by that arrangement. There was nothing to prevent him from suing Kan Sing Toi forthwith, and it would have been no defence for the latter to say that the Bank had made an arrangement with him by which his liability was to be met in another way. Even if the case were otherwise on this point, it may be observed that the contract of guarantee contains no stipulation that the Bank is not to interfere with the remedies over of Cheong Koon Sing against the drawers of Chinese bills making default, although of course it would be inequitable for it so to interfere and it might render itself liable to Cheong Koon Sing by so doing. This view of the matter is not, in my opinion, affected by the letter of Cheong Koon Sing of the 31st May, 1892. It is true that in that letter he asks the Bank to charge the account of Kan Sing Toi, but there was nothing in that to supersede any legal rights that he might have against Kan Sing Toi, the latter having been no party to the arrangement suggested in that letter. I do not think, therefore, that the first ground of defence can be supported.

Then, to take the second ground, was the effect of the arrangement such as to discharge the surety by giving time to the principal debtor?

The rule of law as to the discharge of the surety by the giving of time by the creditor to the principal debtor is old and well settled. It is thus stated in the work to which I have already referred, at p. 369.—“If the creditor, without the consent of the surety, enter into a binding agreement with the principal debtor to give him further time for payment the surety will be discharged. This is the case, even though no injury could accrue to the surety, for he himself is the fit judge of what is or is not for his own benefit. It is not, however, every agreement or promise made by the creditor which will have the effect of discharging the surety. In the first place, an agreement by the creditor to give time to the principal debtor will not discharge the surety, and never did so either at law or in equity, unless it be of a binding character and unless made on valuable consideration.” Such an agreement may be either in express words or implied from the conduct of the parties.

In the case now before the Court there was not, according to the evidence of either Mr. Darby or Cheong Koon Sing, any express promise or understanding made or given at the interview of the 27th March, 1892, to give time to Cheong Koon Sing. The case is not so clear as to an implied agreement. Taking Mr. Darby's evidence, I think it could reasonably be inferred from what was said and done at the interview that any margin that might exist on Kan Sing Toi's account was to be applicable in payment

of the bills of the Kwong Fuk Bank; that the shares held by the Bank on that account would have to be realized in order to find out whether any such margin was available; and that, pending such realization, Cheong Koon Sing was not to be called upon to make good the amount of those bills, or, in other words, was to have time given to him for that purpose. If we rely on Cheong Koon Sing's evidence, this inference is still more clear. But assuming that time was given, the question arises whether the implied agreement by which it was given was of a binding character and made on a valuable consideration? I am unable to think that it had any such binding effect. As Mr. Francis argued, there was nothing in the arrangement to prevent the Bank from repudiating it the next day and enforcing its remedies against all the parties to the bills. I can discover no trace of any consideration moving from Cheong Koon Sing to the Bank to induce it to make the arrangement. It was a case of his taking something from the Bank, by way of relief of his own position, and giving it nothing in return. For even if Cheong Koon Sing's statement is accepted that, if the arrangement had not been made, he would have taken possession of and realized the promissory notes which Kan Sing Toi had about him, I do not see that his forbearing to do this constitutes a valuable consideration on his part for giving him time. There is no pretence that this forbearance was at Mr. Darby's request, and, further, there is nothing to show that Cheong Koon Sing had any right to demand the delivery to him of the promissory notes or that Kan Sing Toi would have delivered them to him if he had so demanded them.

But besides the arrangement made on the 27th March, 1892, it is necessary to consider the effect of Cheong Koon Sing's letter of the 1st April, 1892, and the 3rd June, 1892. There was no answer sent by the Bank to either of these letters, but, having regard to the fact that they were written by Mr. Darby, I think it must be taken that the Bank assented to the proposals made in them. In the postscript to the first of these letters Cheong Koon Sing says “he will shortly hand the manager further cover, but he hopes the Bank will not press him too much.” But, taking it that the Bank acceded to this request, it appears to amount, not to a binding agreement to give him time, but to no more than a promise to refrain from unduly pressing him, and it is clear law that “mere passive inactivity, or omission to press the debtor, as distinguished from an agreement giving time, will not discharge the surety.” *de Colyar on Guarantees*, p. 372. Or, as Lord Hatherley said in the *Oriental Financial Corporation v. Overend, Gurney & Co.*, L.R., 7 Ch. 150, “It is not simply neglecting to sue the principal which would have any effect upon the surety, but there must be a positive agreement with the principal that the creditor will postpone the suing of him to a subsequent period.” The letter of the 3rd June, 1892, while it embodies an agreement by Cheong Koon Sing that his liability in respect of the Kwong Fuk and the Wing Tung Yau bills was not to be affected by the making of the debit entry with regard to them in Kan Sing Toi's account, engrafts on it two subsidiary agreements to make good deficiencies on the account in respect of the bills. I think the express reservation made in this letter of the Bank's rights against Cheong Koon Sing must have its due operation, and prevents the letter and its implied acceptance by the Bank from having the effect of granting time to the debtor so as to discharge the surety.

The next contention on the part of the defendants is that the Bank discharged the surety by discharging the principal debtor. This contention is founded upon the statement of Cheong Koon Sing as to what was said by Mr. Darby at the conclusion of the interview of the 27th March, 1892. Even if this evidence is accepted to its full extent, it may be doubted whether Mr. Darby's assurances to Cheong Koon Sing are sufficiently definite to amount to a release of him from liability for the bills of the two banks in question. But it is unnecessary to determine this point because I have already intimated an opinion that I am not prepared to accept Cheong Koon Sing's evidence in this matter.

The last ground of defence put forward is that the Bank discharged the surety by taking substituted security. By this I understand the defendants to contend that the Bank agreed that, instead of having recourse to Cheong Koon Sing for the making good of the losses occasioned to them by the purchase of the Kwong Fuk and the Wing Tung Yau bills, they would have recourse to such margin as might remain on Kan Sing Toi's advance account after realization of the shares and other securities deposited with the Bank as cover for the advances or, in other words, that a new liability was substituted for the original liability. The question to be determined is, whether the Bank, in agreeing to debit Kan Sing Toi's account with the amount of the bills to which I am now referring, intended to take a further security in lieu of the original security, that is to say, the liability of Cheong Koon Sing for the bills, or whether they merely intended to take a security additional to that liability. It is evident that this is in the main a question of fact, and it will be gathered from what I have already said that there was no intention on the part of the Bank to release the liability of Cheong Koon Sing and to accept a further or additional security in lieu of it. I think that what the Bank really did was to agree to have recourse to any margin available on Kan Sing Toi's account as an additional security to the claim which they already had against Cheong Koon Sing, and that such recourse was not by way of substitution for that claim. And it is clear that the taking of security which is merely additional to, and not in lieu of, that originally taken from the debtor will not discharge the surety. It was said by North, J., in *Clarke v. Birley*, 4 C.D. 437, “It has never been held that the mere acceptance of additional security, unaccompanied by a contract to give further time, would produce the result of releasing the surety.” And in the case of *Rouse v. The Bradford Banking Company, Limited*, 70 L.T., N.S., 430, Lindley, L.J., made the following remarks:—“The question whether a creditor of two or more persons has released one of them and converted the others into his sole debtors by what is called novation is a question of intention, and an intention to look to them for payment, especially when requested to do so by their co-debtor, is quite consistent with an intention to look to them as a mere matter of convenience without releasing him. To succeed on this ground, what the plaintiff [the surety in that case] has to show is conduct inconsistent with a continuance of his liability, from which conduct an agreement to release him may be inferred. . . . Dealing with the new firm and treating them as debtors, and proving against their estate, is quite consistent with not releasing the plaintiff.”

It follows from these observations on the law of the case that, in my opinion, the defence has failed and the plaintiffs are therefore entitled to judgment. The question then is for what amount that judgment is to be entered. The plaintiffs contend that they are entitled to have judgment for \$100,000, being the full amount secured to them by the bond; while the defendants on their side submit that, if the accounts are carefully examined, it will be found that the plaintiffs are indebted to Cheong Koon Sing, and not Cheong Koon Sing to them. Then there have been dealings between the Bank and Cheong Koon Sing subsequent to the 22nd September, 1894, especially with respect to the Saigon property, and it was admitted by Mr. Francis that there should be a reference for adjustment of the accounts between the parties subsequent to that date. But the accounts are somewhat complicated, and I think it will be more convenient that the parties should go before the Registrar in order that he may settle them and certify the amount for which judgment is to be entered and execution issued. But, in order to save time, it is desirable that I should express, for the guidance of the Registrar, my opinion upon various items of claim which are in controversy between the parties and also upon some other points.

To take the disputed items in order, I understood at the hearing that the plaintiffs abandoned any claim to compound interest. Then, as regards simple interest, it was held by the Court of Exchequer in *Ackermann v. Ehen-*



perger, 16 M. & W., 99, that "a party who guarantees the payment of a bill is liable for all that the principal would be liable for," including the payment of interest on the bill, if over-due. I think, therefore, that Cheong Koon Sing, and consequently the defendants, are liable for the payment of interest on the bills as from the date of their maturity. This question of interest is regulated by sec 57 of the Bills of Exchange Ordinance, 1885. It appears from this enactment that the plaintiffs are not entitled to claim, as they do, both interest and re-exchange, and they must elect on which of these claims they will proceed before the Registrar. It will be seen also from the terms of the enactment that the expenses of noting and protesting are in the same position on this point as the interest.

It was contended by the defendants that the plaintiffs had accepted the Saigon property, a promissory note for Tls. 10,000, and certain shares as equivalent to cash, and that Cheong Koon Sing's indebtedness was reduced accordingly. I think, however, that they did not succeed in this contention, and that the plaintiffs should only be debited, in respect of these items, with the amounts which they have realized or, with reasonable diligence, ought to have realised. Any securities not yet realized the plaintiffs must either surrender to Cheong Koon Sing, or as he may appoint, or take over absolutely at a valuation to be made by the Registrar.

All reasonable costs and expenses incurred by the plaintiffs in realizing or endeavouring to realise, or in keeping alive, securities delivered to them by Cheong Koon Sing are to be allowed.

The accounts are to be taken as on the 22nd September, 1894. All entries relating to the subject-matter of the suit made prior to that date in the plaintiffs' books, in the ordinary course of business, are to be deemed binding on the defendants, subject to exception on the ground of fraud or evident mistake. Judgment is to be entered for the amount found to be due to them on the basis of this account, but the total amount is not to exceed \$100,000. Interest at the rate of eight per cent. per annum is to be payable on the principal sum adjudged from the date of the commencement of the suit to the date of judgment.

The taking of the accounts will extend to the dealings of the parties subsequent to the 22nd September, 1894. If this account results in a reduction of the amount for which judgment is entered, interest will abate and execution be issued for a lesser sum accordingly.

If any difficulty arises in settling the accounts, either party is to be at liberty to apply in Chambers for directions.

Reference was not made at the hearing to that portion of the prayer of the plaintiffs' petition which asks for an order for the sale of the premises mortgaged by Cheong Kai to the Bank and the application of the proceeds in payment of the judgment, and as I feel some difficulty on one or two points connected with the making of such an order, I will reserve liberty to the plaintiffs to move the Court for such an order, if they desire to do so.

The plaintiffs will have their costs of suit, including the costs of and incidental to the application made by the defendants for the issue of a commission. This order is, of course, without prejudice to the order made by the Court with reference to the costs of the former trial.

Throughout this judgment I have used the terms "the Bank" and "the plaintiffs" in reference to the original plaintiff bank, but it is to be understood that the judgment and execution enure for the benefit of the Bank of China and Japan, Limited, who are now the real plaintiffs in the case.

#### CRIMINAL SESSIONS.

29th December.

BEFORE HIS HONOUR DR. CARRINGTON  
(CHIEF JUSTICE.)

#### TRIAL OF MCKINLEY.

Charles McKinley, electrical engineer, was charged on two counts with forging a letter purporting to have been written by Mr. W. Farmer with intent to defraud, and with uttering the letter with intent to defraud.

Mr. J. J. Francis, Q.C. (instructed by Mr. J. Hastings), appeared to prosecute, and Mr. E. Robinson (instructed by Mr. Monney) defended.

The defendant pleaded not guilty.

The jurors were—Messrs E. J. Main, Chau Tsung Fat, E. Marx, Hung Mak Hoi, A. Howard, F. Kiene, and T. J. de S. Alonco.

Mr. C. F. Harton was called, but the defendant objected to him on the ground that he was the acting secretary of the Hongkong Electric Company, by whom the defendant was employed.

His Lordship allowed the objection.

The names of Messrs H. S. Cooke and E. A. Measor were called, but neither gentleman was in attendance and his Lordship directed them to be ordered to attend before him.

Mr. F. Kiene asked to be excused from serving on the ground that he served on the jury during the whole of Monday, but his Lordship said that that was not a sufficient ground for indulgence to be shown.

Mr. Francis, in explaining the facts, said the defendant was formerly in the employ of the Hongkong Electric Light Company and a Mr. Raymond was the chief officer on board the steamer *Hanoi*, a vessel under the French flag, trading mainly between Hongkong and Haiphong. On the 3rd October Mr. Raymond was on board the *Hanoi* having breakfast in the saloon with the captain and one of the officers when a letter was brought addressed "Captain Raymond," with it came a small parcel. The letter was passed to the captain by Raymond and it was opened. The heading on the paper was "Madar and Farmer, proprietors, New Victoria Hotel, 9, Queen's Road Central, Hongkong, October 3rd, 1896." The letter read as follows—"Dear Captain Raymond, May I ask you as a special favour to take the small parcel per bearer to Haiphong. It is for M. Jules Paine, proprietor of the Grand Hotel du Commerce. I have written to him to send off for it, so you will have no trouble in taking it ashore. It only contains two doz. photographic plates and two doz. papers. Thanking you in anticipation, I am, yours fraternally, W. Farmer." The only W. Farmer known in the colony is Mr. W. Farmer, who is one of the proprietors of the New Victoria Hotel, and who, so far as the letter and parcel were concerned, had nothing to do with the transaction. The parcel appeared to be a small wooden box, about six or seven inches by three or four inches, and it bore a label, from which it was inferred that the box came from a photographic shop in Europe with photographic plates in it. The parcel, unopened and untouched, was put into Mr. Raymond's cabin and taken in the steamer to Haiphong. Haiphong is some little distance up the river, and when the *Hanoi* anchored at the mouth of the river waiting for the turn of the tide she was closely watched by a Customs steam launch, which followed the steamer up the river. On arriving at Haiphong French Customs officers boarded the steamer and searched Mr. Raymond's cabin. On opening the drawer in which the parcel was placed the officers at once pounced upon the box and said that was what they wanted. Mr. Raymond insisted upon its being opened before it was taken out of the ship and it was accordingly opened by the Customs officers and by Mr. Raymond on the ship's deck. Inside the case was a tin package closely soldered up and containing not photographic plates or photographic paper but two tins of prepared opium. Mr. Raymond was arrested and proceeded against in the French court, and he was fined \$400 for smuggling or attempting to smuggle opium into Haiphong and he also had to serve five days' imprisonment. His sentence was a greater one, but a portion of it was remitted. On his return to Hongkong an immediate application was made to Mr. Farmer, who at once repudiated all knowledge of the letter and of the parcel. The paper on which the letter was written was undoubtedly similar to that used at the Victoria Hotel, and anyone who went in there casually for a drink or a game of billiards could easily get a sheet of it. The matter was put into the hands of the police, and after investigation it was discovered that this letter was undoubtedly and unmistakably in the handwriting of the defendant, who had made

no attempt whatever to disguise his style of writing. Enquiries were made in and about the Electric Light Company's premises and it was discovered that somewhere about the end of September or the beginning of October, just before the date of the letter, the defendant got one of the Chinese employed on the premises to make a box for him of about the same size and description as that which was sent on board with the letter, and that he had employed another man, a tin worker, to make a tin box to fit inside the wooden box, and he also got the box soldered up on the premises. The result of these discoveries was that the defendant was arrested on a charge of forging the letter. Counsel did not know that any of the facts he had set forth could be in the least degree successfully contested. It would be clearly proved by persons in the employ of the Electric Light Company that the letter received by Mr. Raymond was undoubtedly and beyond the possibility of error in the handwriting of the defendant, and that the box which was sent with the letter was made in the Electric Light Company's works under the instructions of the defendant. It would also be proved that the box was not tampered with from the time it was taken on board at Hongkong to the time of its seizure at Haiphong. What was the natural result of the defendant's act? Mr. Raymond and the captain of the steamer on receiving the letter naturally supposed that, coming from a man like Mr. Farmer, it was perfectly true. They would never dream that a man in Mr. Farmer's position would attempt such a thing as the smuggling of opium into Haiphong. It was considered a very serious offence in Haiphong, and it involved the punishment not only of the persons smuggling but also of the captain of the ship on which the opium was smuggled, and it further involved heavy penalties against the vessel. It was an ordinary custom for coasting steamers to take small parcels, such as photographic plates and articles not of commerce, for a very small charge or, as a favour, for no charge at all from one port to another. It would also be shown that if it had been known that this parcel contained opium it would have been at once returned to the person sending it, to be put on the manifest for freight to be paid. The immediate result of the action of the defendant in writing the letter was seriously to injure Mr. Raymond by exposing him to the risk of arrest and punishment in Haiphong and to the almost certainty of being dismissed his ship and losing his character with all employers on the coast. There was another almost necessary result arising directly out of the sending of the letter, and that was that Mr. Farmer, whose name was fixed to the document by the defendant, was at once charged, on the return of the *Hanoi* to Hongkong, with the very serious offence of having deliberately deceived Mr. Raymond and defrauded the owners of the ship. The offence of forgery consisted of two elements, the first being the making of a false document—a document which, on the face of it, was not what it was made to appear. The mere alteration of a figure, or the addition of a figure, in a document would be sufficient to justify a jury in finding that a false document had been made. This letter was essentially a false document, in that it purported to be signed by a person who knew nothing about it, and did not sign it and did not sanction the use of this signature. The letter also purported to come from a place from which it did not come—it contained a falsehood in the body of it in reference to the parcel which was sent with it. But the mere making of a false document was not sufficient in itself to constitute the crime of forgery; it must be made with intent to defraud; and the main question for the jury to consider was whether there was in the action of the defendant in making this document an intent to defraud as recognised by the law. The ordinary meaning of the word fraud and the ordinary idea connected with it was to get some property or money out of a man, but that was not the legal idea of fraud. The fundamental idea of fraud was to injure another by some deceitful means—by some falsehood to prejudice another. The contest in this case might be as to what was the intention of the defendant when he wrote the letter. It would probably be



brought before the jury that there was some grievous feud between Raymond and the defendant, and that the defendant was under the impression that some great wrong had been done him by Raymond. It might be suggested that the defendant's sole intention was to punish Raymond in this particular way for the wrong which the defendant supposed had been done him; but the law did not always deal with or look to the actual idea that prevailed in a man's mind when he did an act. The question might arise whether or not the intention to injure Raymond by writing that letter was a sufficient intent to justify a charge of forgery. Counsel submitted it was, but there were other considerations as well. A man might have half a dozen intents in his mind, although one of them might be the guiding or principal one without which he would not have done the act. But in point of law a man was presumed to intend the ordinary and natural consequences of his act. If a man fired a loaded gun into a crowd he would be guilty of murder if he killed one among the crowd, although he might be able to prove that his only idea was to frighten people. Supposing the jury were not satisfied that the defendant wrote the letter they could find him guilty on the second count, as he knew the letter had been forged. Counsel then read the following statement made by the defendant at the Police Court:—"Raymond has given me deep cause of offence and I, knowing that he was in the habit of smuggling opium, denounced him to the French Consul two days before the arrival of the steamer *Hanoi* in Hongkong on the 28th September last. The French Consul requested me to give more precise information, so I had Raymond watched. From information I received, which I believed to be true, I gave further information to the French Consul. I told Mr. Burnett that I had given information; I made no secret of it. If I had been guilty is it likely I should have done this? As to the making of the box, I have an answer to that which I reserve." The strong probabilities, continued counsel, are that the defendant's first intention was simply to cause Raymond trouble and annoyance and, according to his statement, he gave general information to the French Consul that Raymond was in the habit of smuggling opium in order to throw suspicion on him, but when the French Consul, as appeared from the statement of the defendant himself, was not satisfied with such indefinite information he demanded more precise information, and as McKinley could not furnish any precise information, because Raymond had never smuggled, the defendant manufactured the materials which enabled him to give the "precise" information. He had the box made, filled it with prepared opium, sent it on board with the letter, and then gave information to the French Consul that opium could be found on board in Raymond's cabin.

Evidence was then called.  
Mr. Raymond spoke to receiving the letter and the box and to being arrested at Haiphong, where he was sentenced to fifteen days' imprisonment without hard labour and to pay \$400 fine.

Mr. Robinson cross-examined the witness at some length respecting the concubine of McKinley. Witness said he had nothing to do with the woman leaving defendant's house and going back to her aunt's house. Witnesses had never smuggled opium as beer or as a tin of kerosene. He was supposed to pay his share of the costs of this prosecution. He did not know whether Mr. Marty was paying the costs. He declined to say whether he had yet paid any money towards the costs. At the present time he was not chief engineer of the *Hanoi*, and he did not know why his place had been taken by another man.

The Court then adjourned for luncheon, after which Mr. H. A. Meador and Mr. H. S. Cooke were called before his Lordship and asked to explain the reason of their absence.

Mr. Meador said he was not present last Wednesday when the Court was adjourned and he thought all the business had been disposed of.

His Lordship—You must always make sure you are released from attendance before you re-

lease yourself. You assure me that you honestly made a mistake?

Mr. Meador—I did, my Lord.

His Lordship—I will excuse you now, but you must be careful another time. Mr. Cooke, what have you to say?

Mr. Cooke—Your Lordship was kind enough to excuse me last week.

His Lordship—I particularly asked you if it was for a day and you said yes.

Mr. Cooke—I was going away for three days then, my Lord.

His Lordship—It was on a Friday?

Mr. Cooke—Yes.

His Lordship—You went to Canton that day?

Mr. Cooke—I did not take it that it was for a day only.

His Lordship—I remember distinctly saying to you that it was for a day. When did you come back?

Mr. Cooke—On Monday.

His Lordship—We were sitting on Monday. You were only excused in order that you might go to Canton on particular and urgent business. If you were back in Hongkong on Monday, why should you be excused because you went to Canton on Friday?

Mr. Cooke—I thought the business was finished. I did not know anything was going on.

His Lordship—I was indulgent with you that time and you—

Mr. Cooke—I should have been extremely pleased to serve, my Lord.

His Lordship—You have been exceedingly careless in the matter. It was your duty to find out when you had to serve again. You must pay a fine of \$5.

The case was then proceeded with. Witnesses bore out the counsel's opening statement and one of them, a tinman at the Electric Light Company's works, positively identified a tin box (which was sent from Haiphong and produced in Court for the first time) as the one which he soldered at the request of the defendant. There were certain marks on it which he recognized.

A witness named Kwong Pak failed to appear and Mr. Francis said the man was not in the colony. He had applied for permission to leave the colony in order to get married, but his application was refused and he gave himself permission.

Inspector Stanton gave evidence of the absence of the witness and said the wedding took place on Monday.

His Lordship ordered the absent witness's recognisances to be estreated and a Bench warrant to issue.

The Court adjourned until this morning at ten o'clock.

#### THE MILITARY CONTRIBUTION.

The following despatch, which is to be laid before the Legislative Council, has been forwarded to us from the Colonial Secretary's office:—

THE SECRETARY OF STATE TO THE GOVERNOR.

Downing Street,  
18th November, 1896.

Sir,—I have the honour to acknowledge the receipt of your despatch No. 225 of 23rd September last, forwarding a Memorandum from the unofficial members of the Legislative Council, asking that the Military Contribution should be again fixed at £40,000 a year, instead of being 17½ per cent. of the gross revenue, less the proceeds of land sales.

2.—I request you to inform the members of the Council that Her Majesty's Government regret that they cannot agree to this proposal, as they cannot admit that a fixed rate of contribution for all time, irrespective of the comparative financial ability of the colony to contribute to the cost of its defence, is a fair or reasonable arrangement.

3.—You will remember that in Viscount Knutsford's despatch No. 8 of 20th January 1890, the contribution of £40,000 a year was fixed for three years only (afterwards extended to five years), on the distinct understanding that the rate would be reconsidered later on, and possibly increased. The members of the

Council are therefore in error in implying, in paragraph 8 of their memorandum, that the question was only reconsidered in consequence of their representations that the contribution of £40,000 was excessive.

4.—They are also under a misapprehension in supposing that my despatch No. 128 of 8th June was intended to preclude any future remission of taxation in the colony, should it hereafter appear that the revenue exceeded the necessary expenditure of the colony. That despatch merely stated that if the accounts were altered so as to take large items of receipts out of revenue, on which the Military Contribution is calculated, it would be necessary to consider the question of altering the rate of percentage.

5.—I adhere to the opinion that seventeen and a half per cent. of the gross revenue (less land sales) as at present brought to account, is by no means an unreasonable amount for the colony to contribute towards its defence.

6.—I request you to lay this despatch before the Legislative Council.—I have the honour to be, sir, your most obedient, humble servant,

J. CHAMBERLAIN.

Governor Sir William Robinson, K.C.M.G., &c., &c., &c.

#### THE HONGKONG GENERAL CHAMBER OF COMMERCE.

At a monthly meeting of the Committee held at the Chamber Rooms, on the 19th December, Present: Messrs. A. McConachie (Chairman), H. Smith (Vice-Chairman), N. J. Ede, St. C. Michaelsen, N. A. Seibs, T. H. Whitehead, and R. C. Wilcox (Secretary).

The minutes of the previous meeting were read and confirmed.

#### THE INCREASE IN TELEGRAPH RATES.

Letters read from Madras Chamber of Commerce and Straits Settlements Association, Singapore, acknowledging receipt of a copy of the report of proceedings at the special meeting held on the 19th September to protest against the sudden increase of their tariff by the Joint Telegraph Companies. Also from the Colonial Secretary, Colombo, the Colonial Secretary, Straits Settlements, the Chief Secretary, Hobart, the Chief Secretary, Brisbane, the Deputy Postmaster-General, Sydney, and the Chief Secretary, Melbourne, acknowledging receipt of same protest on behalf of the Government of Ceylon, Straits Settlements, Tasmania, Queensland, New South Wales, and Victoria respectively.

#### THE "CHINGTU" CASE.

With reference to the case in which the captain of the British steamer *Chingtu* was recently fined, under the Vagrancy Ordinance, for detaining certain Japanese stowaways on board his ship after arrival here, it was resolved to address the Government on the subject and ask for such amendment of the Ordinance as may be necessary to relieve masters of merchant vessels from further liability for stowaways after handing them over to the authorities. Also to point out the hardship entailed on shipowners by holding them responsible six months after arrival in the colony for passengers (who have paid their passages); and to give captains the necessary power to detain stowaways on board for a reasonable time in order that they may be able to communicate with the authorities.

#### GAP ROCK LIGHT DUES.

A letter from Hon. T. H. Whitehead, dated 5th December, enclosing copy of correspondence with H.E. the Governor on the question of the abolition of the special Gap Rock light dues, read, and the matter was further considered. Resolved unanimously to abide by the opinions expressed in the Chamber's letter to the Government of the 31st July last.

[Correspondence already published in *Press*.]

#### EXPORT UNDER ARMS AND AMMUNITION ORDINANCES.

Read copy of correspondence forwarded by Mr. Whitehead between himself and H.E. the Governor in reference to a question by the hon. member in Council on the 3rd inst. asking whether the Police Department continues to furnish the Imperial Maritime Customs with information concerning permits issued for the



export from the colony of arms and ammunition.

[Correspondence already published in Press.]

#### REQUEST FOR CHAMBER'S OPINION.

Read letter from the Manager, China and Japan Telephone Co., Limited, dated 10th December, asking for an opinion on a certain clause in their agreement with the Joint Telegraph Companies, as to whether they have the right to establish communication with Kowloon, where they wish to have a Telephone Exchange.

After discussion, it was decided to reply to the effect that the Chamber is not in a position to express an opinion unless the matter be placed before it by both parties for arbitration, and in any case, according to the by-laws of the Chamber, one of the parties must be a member of the Chamber before the Chamber can act.

(Correspondence)

#### CHINA AND JAPAN TELEPHONE COMPANY LIMITED.

Hongkong, 14th December, 1896.

R. Chatterton Wilcox, Esq., Secretary, Chamber of Commerce, Hongkong.

Dear Sir,—I beg to ask you whether the Chamber of Commerce can express an opinion in the following matter.

The China and Japan Telephone Co., Limited (comprising the Hongkong and Shanghai Branches) is under an agreement with the Eastern Extension and Great Northern Telegraph Companies not to be interested in the working of any wires "connecting separate towns in China and/or Japan" and the Telegraph Companies likewise agreed not to be interested in the working of any wires connecting different parts of the same town or of a town and its suburbs.

In Hongkong the Telephone Co. have erected lines connecting Quarry Bay, Sankiwan, Deep Water Bay, Aberdeen, and Pokfulam, &c., with the city of Victoria, and in Shanghai connect the French and American Settlements, also, Zikawei, and lastly Pootung (by cable across the Wosung River) with the Exchange in the English Settlement, and no question has been raised as to infringement of the Telegraph Companies' rights. And now to come to the question: Since Kowloon is to all intents and purposes a suburb of Victoria, or is at least as much so as is Aberdeen, or say Pootung of Shanghai, has the Telephone Company the right to establish communication with Kowloon?

I may say that if on consideration it appears to you that we, by the terms of the agreement aforesaid, are not debarred from connecting Victoria with Kowloon we propose to open an Exchange over there, connected with the Hongkong Exchange, to meet a demand from the Kerosine Tanks, Messrs. Blackhead, the Naval Yard, and others who would doubtless be glad to avail themselves of cheap and reliable communication.

Hoping this will be a matter the Chamber can deal with and that you will give it your favourable consideration.—I am, dear sir, yours faithfully,

W. STUART HARRISON,  
Manager.

22nd December, 1896.

W. Stuart Harrison, Esq., Manager, China and Japan Telephone Co., Limited.

Dear Sir,—I beg to acknowledge receipt of your letter of the 14th inst. asking the Chamber to express an opinion as to the right of the China and Japan Telephone Co., Limited, under their agreement with the Joint Telegraph Companies, to establish cable communication with Kowloon with a view to open a telephone exchange on the peninsula.

In reply, I am directed to inform you that the Chamber is not in a position to express an opinion on this question unless the matter be placed before it for arbitration by both parties, and in any case of the kind one of the parties must be a member of the Chamber. As neither party is a member of the Chamber, the Committee are debarred, under by-law X, from taking any cognizance of the matter.—I am, dear sir, yours faithfully,

R. CHATTERTON WILCOX,  
Secretary.

#### CHRISTMAS CONCERT AT THE GOVERNMENT CIVIL HOSPITAL.

The patients' Christmas entertainment at the Government Civil Hospital commenced at four o'clock on the afternoon of Christmas Day with a concert, the programme being as follows:—

##### PART I.

Violin Solo... "La Serenata" ..... Briga.  
Wardmaster Sydney.  
Song..... "Tell Her I love her to" ..... De Faye.  
Mr. Sliman.  
Song..... "The Miller and the Maid" Marzials.  
Mrs. Vallings.  
Recitation... "Irish Anecdotes" ..... Anon.  
Hon. F. H. May, C.M.G.  
Song..... "The Island of Dreams" ..... S. Adams.  
Mrs. Craddock.  
Xmas Carol { "On the Birthday of the Lord" ..... Rev. Dr. Dykes.

##### PART II.

Banjo Solo... "Grand Avenue March" C. Burnand.  
Lieut.-Col. Faithfull.  
Song..... "The Jewel of Asia" ..... Sidney Jones.  
Mrs. Clark.  
Song..... "They all love Jack" ..... S. Adams.  
Hon. J. H. Stewart-Lockhart.  
Song..... "Willie's game to Melville Castle" ..... Mrs. Vallings.  
Song... "The Yeoman's Wedding" ..... Poniatowski.  
Hon. W. M. Goodman.

Xmas Carol... "Child Divine" ..... Dr. Bridge.  
The most popular songs were those given by Mrs. Vallings, who kindly gave as an encore to the second one "Kittie Lindsey." The carol "On the Birthday of the Lord" was much appreciated, and to judge by the audience the whole of the programme was thoroughly enjoyable. Mrs. Goodman and Mrs. Cooper kindly accompanied the performers. The carol chorus was composed as follows:—Soprano—Mrs. Craddock, Sister Annie, Sister Margaret, and Mrs. Cooper; Contralto—Mrs. Goodman and Mrs. G. C. Cox; Tenor—Mr. Sliman, Hon. W. M. Goodman; Bass—Messrs. Craddock, Browne, and Crook.

The concert was over by 5.15 p.m.; it was purposely short in order to admit of the Christmas tree. At 5.30 p.m. the tree was lighted and the Colonial Secretary distributed the various gifts to the patients, of whom there were more than a hundred present, each receiving a gift; those who were too ill to attend had their presents taken to them by the nursing sisters. At 6.15 p.m. all was over, and to judge from the smiling faces both of children and grown up persons, of all nationalities, a most enjoyable afternoon was spent.

The guests were received by Drs. Ayres, Atkinson, Bell, and Miss Eastmond (matron). Amongst those present were:—H.E. the Governor, Master Kenneth Robinson, and Capt. Sterling, Mrs. Wilsons Black, Hon. J. H. and Mrs. Stewart Lockhart, Hon. W. M. and Mrs. Goodman, Hon. F. A. and Mrs. Cooper, Hon. F. H. and Mrs. May, Mrs. Bell Irving and Mrs. Dickson, Colonel and Mrs. Faithfull, Right Rev. Bishop Piazzoli, the Roman Catholic Chaplain, Major and Mrs. Hanham, Mr. and Miss Jackson, Mrs. Hartigan, Dr. Rennie, Dr. Clark, Dr. and Mrs. Thomson, &c.

#### PRIZE DISTRIBUTION AT ST. JOSEPH'S COLLEGE.

##### THE CHIEF JUSTICE ON EDUCATION.

The annual distribution of prizes to the scholars attending St. Joseph's College took place on the 22nd December, His Honour the Chief Justice, Dr. Carrington, LL.D., C.M.G., presiding. The proceedings opened with a musical entertainment, at the conclusion of which Brother James read the annual report, which was as follows:—

Your Lordships, rev. fathers, ladies, and gentlemen,—Before reading the Annual Report of the College for 1896, I think it my duty to thank His Lordship, the Chief Justice, for the honour he has conferred upon the College by consenting to preside at our distribution this evening. It is, indeed, a proof of the interest taken in the education of youth by the highest Executive in the colony. I have also to thank His Excellency the Governor, and our other friends through whose mediation we were enabled to take part in the

Oxford Local Examinations this year. I have received the information that 13 of our pupils satisfied the Examiners.

In order to encourage the study of English we have caused the pupils to produce a short original debate this evening. We have also introduced into the School a system of weekly reports. The pupils are required to show these reports to their parents or guardians on every Monday for their signature. The parents are thus enabled to see at a glance what has been the conduct, application, and the number of home studies known by their sons or wards during the week.

Our registers show that 283 pupils have been received during the year, and that there was an average monthly attendance of 208. We presented 168 of this number for the annual Government examination last week, the others not having the required number of school days or having left school for employment. We also presented 276 papers on special subjects, and though we have not yet had the results, if we judge from the words of H.M. Inspector of Schools at the close of the examination, "that he could conscientiously say that this School was well taught," we may expect very good results.

The pupils take kindly to military drill, also cricket, football, and hockey are very popular. The boys hope that when the new part of the Happy Valley is finished, a larger portion will be allotted to the schools for their athletic contests.

We finally beg to tender our very sincerest thanks to the Hon. E. R. Belilios for his two scholarships and also to the other gentlemen who have so generously contributed towards our prize fund.

The CHIEF JUSTICE said it gave him very great pleasure to take the chair, as he took a great interest in anything connected with education. He saw that a considerable number of the scholars of the school were of Portuguese descent, and he might mention that he had had something to do with the Portuguese in British Guiana, where they formed a useful, an excellent, an industrious, and a law-abiding portion of the inhabitants and made most admirable citizens. He thought that those who belonged to the English side of the community must be pleased with the efforts made by the Christian Brothers to impart a thorough knowledge of English to the Portuguese boys. The teachers filled a great province in this colony in bringing out the boys' faculties and their moral qualities and making them good and intellectual members of society. The position of a teacher in Hongkong was a peculiarly great and noble one. Here we were on the fringe of a great empire with some three or four hundred millions of souls, and almost all those people were entirely ignorant of the literature, science, and general knowledge which the English more or less shared; it must be a great pleasure for the teacher to reflect on the possibility that he in a small way was bringing to bear on this vast population the mighty machine of education, and that possibly he might have the good fortune to improve the intellectual and moral status of that population. Of late years the education of the middle classes in England had been very much in the background; not nearly the same attention had been given to them as to the lower classes and the upper classes. The upper classes had grammar schools and the lower classes had a system of education which had been more or less developed to perfection; while on the other hand the middle classes had had no systematic education at all. The state had hitherto done very little for the middle classes, but lately a Commission had been appointed to enquire into the question and by and by the education of the middle classes would be taken into consideration. He was gratified to hear from Brother James that pupils had been presented for the Oxford Local examination, as the results of that examination enabled one to say how the school was doing and to compare it with schools of a like grade in the colony. He hoped that eventually every boy would present himself for the Junior or Senior Oxford Local examination. The Christian Brothers were doing a good work in devoting unremitting attention to the education of the boys under



their care. Man was two-fold; he had an intellect, and he had a soul. The speaker then addressed a few words of advice to the boys. Taking the play first—that was an important point—he was glad to hear that they were showing an aptitude for cricket, football, hockey, and sports of that kind. The English prided themselves on their excellence in sports and their fondness for them, and the boys of St. Joseph's College were to be congratulated upon showing such aptitude for sports. He pointed out what an essential thing it was for the boys to devote themselves to their teaching and to their lessons. The making or marring of a man very much depended upon what he was at school. He would not say it absolutely depended upon it, but, generally speaking, the boy who gave his whole mind to his work and endeavoured to reap every benefit from his teaching was more successful in life than a boy who did not possess those qualities. Make hay while the sun shines; make the best of every chance. He would not have been there to-night if he had not been a hard working boy at school. It so happened that he was fond of his work at school. When he was fourteen he went to a grammar school and worked so steadily that they gave him the name of "crammer." The result of his "cramming" was that he did pretty well at school and was sent to Oxford University. He cited that as what he would call a concrete instance of what a boy could do who made the most of his time and devoted the whole of his energy to school work. If he had not worked hard at school he would not have gone to Oxford University, and if he had not gone to Oxford University he would not have been speaking to the boys of St. Joseph's College that night. The boys should be always attentive and obedient to the teachers, kind and generous and always bearing a good manner towards their fellow pupils, and unselfish and good to their brother scholars. If boys showed consideration and courtesy those qualities would become part of their nature and they would grow up in the possession of them. They could not believe what an advantage in life a man had who possessed a good manner and who was courteous, considerate, and kind to others; he had a very great pull over a man without those qualities and was consequently happier in life. It was an honourable ambition of boys to get prizes, but the boys who did not get them this year must not be disheartened, but try for them next year. In conclusion the Chief Justice said it was a great pleasure to him to distribute the prizes. If any school in the colony or any cause connected with education thought he could be of any service to it he would be absolutely and entirely at its disposal, because he believed there was no finer or more noble work given to men than that of education—the development of those parts which God had given to us for the happiness not only of ourselves but of those around us. He wished everyone a merry Christmas and a prosperous new year. (Loud applause.)

The Chief Justice then delivered the prizes to the successful pupils.

The following is the prize list:—

Standard I.—J. Gaskell, Kwok Ying Kun, W. Passos, F. Casademunt, W. Goulbourn, N. Botelho, D. Alonço, J. Remedios, J. Rozario, J. Carmo, D. O'Keefe, H. O'Keefe.

Standard II.—G. Victor, P. Yvanovich, A. Gutierrez, F. Simões, G. Rozario, H. Remedios, J. Victor, A. Botelho.

Standard III.—W. Ribeiro, A. Lewis, J. Melendreras, P. Rozario, A. Silva, A. Simões, F. Loureiro, L. Ozorio, C. Remedios, G. Kantwell.

Standard IV.—A. Vimard, A. Botelho, H. Tayler, A. Hahn, G. Remedios, F. Remedios, H. Biard, P. Remedios, E. Rozario, A. Rozario, O. Barros, C. Remedios, C. Ozorio, E. Silva.

Standard V.—M. Simões, J. Logan, H. Costa, F. Silva, W. Paley, P. Roze, F. Botelho, J. Vieira, S. Haughton, G. Osmund.

Standard VI.—B. Talara, F. Ribeiro, L. Gutierrez, A. Xavier, A. Loureiro, F. Rozario, M. Hopun, F. Silva, J. Xavier, G. Silva, A. Camran, Z. Castro, C. Remedios.

Standard VII.—E. Xavier, J. Franco, C. O'Toole, C. Rodrigues, E. Noronha, F. Barros, L. Gutierrez, C. Pereira, A. Gutierrez, O. Bohm.

French.—C. O'Toole, J. Franco.

## ARRIVAL OF THE TORPEDO DESTROYERS.

### ROUGH WEATHER ENCOUNTERED.

On the 24th December the torpedo destroyers *Hart* and *Handy* arrived in port accompanied by their convoy, H.M.S. *Porpoise*. The boats left England on August 16th, remained a month at Malta, and came here by easy stages, being in charge of H.M.S. *Blenheim* from England to Malta, of H.M.S. *Flora* from Malta to Aden, of H.M.S. *Marathon* from Aden to Colombo, and of H.M.S. *Porpoise* from Colombo to their destination. The boats are of the best type. Each is 200 feet long, with a beam of 19 feet 2½ inches, and can make 25 knots an hour. The decks are of steel and portions are covered with a kind of linoleum, thus affording the crew—52 hands altogether—a firm footing. The armament consists of five 6-pounder and one 12-pounder quick-firing guns, and there are two torpedo tubes worked from the deck. Amidships there is a powerful search light. They are both declared to be very fine sea boats and their sea-going powers were certainly tested to the utmost on the way up from Saigon. They left Singapore on the 11th December, at 7.30 a.m., and at once shaped the course for Saigon. Rain was falling heavily at the time, but there was no sea to speak of until the following night, when a stiff breeze blew and the boats and their convoy sheltered under an island off Little Condore, about a hundred miles from Cape St. James. They remained there until the following night and on Monday Saigon was reached after a pretty stormy passage. Here the boats were coaled and on the 18th the voyage was resumed. A short stay was made off Cape St. James, but no very rough weather was experienced until the night of the 21st, when the strong monsoon which caused so much trouble to the *Centurion* was encountered. The boats rolled tremendously and no headway was made for 36 hours, but notwithstanding the high seas not the least damage was done and on Wednesday night they anchored outside Hongkong and came in early yesterday morning. The crews certainly had a very lively time during the rough weather, and what it was like on board may be judged from a most comprehensive remark made by one of the men, who said, "The pistols and the cutlasses were having a fight in the kitchen." When coming down the Saigon River the *Handy* had a speed trial and she covered 48 miles in 2½ hours with a four knot current against her.

## HONGKONG AND THE PHILIPPINE REBELLION.

### THE FOREIGN ENLISTMENT ACT.

The following proclamation was issued in a *Government Gazette* extraordinary yesterday:—  
William Robinson,  
Governor.

By His Excellency Sir William Robinson, Knight Commander of the Most Distinguished Order Saint Michael and Saint George, Governor and Commander-in-Chief of the Colony of Hongkong and its Dependencies, and Vice-Admiral of the same.

Whereas peace and amity subsist between Her Most Gracious Majesty the Queen and His Most Catholic Majesty the King of Spain.

And whereas certain of the subjects of the said King of Spain in a certain part of His dominions called the Philippine Islands have revolted against His authority, and hostilities are in progress between His said Most Catholic Majesty and the said revolted subjects.

And whereas Her Majesty the Queen is desirous that no Naval or Military expedition should be fitted out within Her dominions to proceed against His said Most Catholic Majesty's dominions in the Philippine Islands or elsewhere.

Now, therefore, I, Sir William Robinson, Knight Commander of the Most Distinguished Order of Saint Michael and Saint George, Governor and Commander-in-Chief of the Colony of Hongkong and its Dependencies, and Vice-Admiral of the same, do hereby warn and strictly enjoin all persons within this Colony in no wise to prepare or fit out, or be engaged or to assist in preparing or fitting out, or to be employed in any capacity in any Naval or Military expedition to proceed against

the dominions of His said Most Catholic Majesty in the Philippine Islands or elsewhere under pain of the penalties prescribed against all persons offending against the Foreign Enlistment Act, 1870, and all other Statutes and Ordinances in such case made and provided.

By Command,

J. H. STEWART LOCKHART.

Colonial Secretary.

GOD SAVE THE QUEEN.

Given at Government House, Hongkong, this 22nd day of December, 1896.

## OXFORD LOCAL EXAMINATIONS.

### HONOURS LIST:

Juniors.—Third Class:

Girls (P) Whiting, M. M.

PASS LIST.

### Seniors

(D) Elphinstone, D. E. (Q) Lai Chan-pong  
(E) Haskell, E. D. (Q) Luk Ki-kwong  
(E) Lammert, E. L. (Q) Sin Cheung

### Girls

(P) Hance, G. H. C. (P) Mast, H. B.  
Seniors (Over Age)  
(D) Hayasaki, U. (Q) Chan King-ching  
Girls—(E) da Souza, L. M. E.

### Juniors

(D) Benning, G. (J) O'Toole, C. L.  
(D) Ford, E. S.\* (J) Rodrigues, C. J.  
(D) Hoahing, J. M. (Q) Ellis, C. E.  
(Q) Lee, C. H.

Girls—(E) Mehta, S.

### Juniors (Over Age)

(E) Ellis, A. (J) Xavier, E.  
(J) Franco, I. (Q) Chan Ming-tung

Girls—(E) Souza, A. M.

### Junior Distinguished

(D) Ford.—Religious Knowledge.

### Preliminary

(J) Gutierrez, L. E. (K) Hayward, C. B.  
(J) Loureiro, A. (P) Whiting, H. M.  
(J) Simoes, M. P. (P) Whiting, W. R. G.  
(J) Talara, B. (Q) Ismail, A.

### Girls

(E) Baker, A. E. J. (E) Palmer, M.

### Preliminary (Over Age)

(D) Reiners, W. (J) Logan, J. C.  
(D) Wilnan, P. (J) Ribeiro, F. X. V.  
(E) Belillos, D. E. (J) Xavier, A. W.  
(E) d'Aquino, E. J. G. (Q) Abraham, E.  
(E) Thompson, R. D. W. (Q) Craig, R. H. A.  
(J) da Silva, F. F. E. (Q) Pestonjee, R.  
(J) do Rozario, F. X. H.

### Girls

(E) Cairns, B. M. (P) Millar, C.

D=Diocesan School; E=Victoria English School; J=St. Joseph's College; K=Kowloon College; P=Private Tuition; Q=Queen's College.

Superintending Examiner, Rev. T. W. Pearce.

Hon. Local Secretary, Dr. Wright.

## SMALLPOX IN THE COLONY.

We have received the following communication:—

Sanitary Board Room,  
Hongkong, 29th December, 1896.

Sir,—I am directed to inform you that owing to the occurrence of 13 cases of smallpox in the city of Victoria during the past fortnight, a special meeting of the Sanitary Board was held this afternoon and the procedure indicated in the enclosed memorandum was unanimously agreed to.—I am, sir, your obedient servant.

HUGH MCCALLUM,  
Secretary.

Editor,

Hongkong Daily Press.

(Enclosure.)

At a special meeting of the Sanitary Board held this afternoon to consider what steps should be taken in view of the occurrence of smallpox in Victoria, the following notion was agreed to, viz:—

A.—That the following districts be defined as affected by smallpox under by-law 22 of the by-laws made under Ordinance 15 of 1894:

(1.) That part of the City of Victoria which is bounded on the north by the harbour, on the south by the Shaikwan Road, on the east by Causeway Bay, and on the west by Inland Lot 29.



That part of the City of Victoria which is bounded on the north by Des Voeux Road, on the south by Second Street, on the east by Western Street, and on the west by the eastern boundaries of Marine Lot 198 and Inland Lot 798.

B.—That the Medical Officer of Health and the District Inspectors of Nuisances be authorized in writing to carry out the provision of by-laws Nos. 22 and 23, the latter under the directions of the Medical Officer of Health, who shall adopt such precautions as to the removal of articles of clothing or bedding and other articles as he may consider the circumstances require.

HUGH MCCALLUM.

### HONGKONG HIGH LEVEL TRAMWAYS CO., LIMITED.

The twelfth ordinary general meeting of the Hongkong High Level Tramways Company, Limited, was held on Tuesday in the Company's offices, Nos. 38 and 40, Queen's Road Central. Mr. Hart Buck presided and there were also present:—Messrs. H. Humphreys, J. Orange, J. R. Michael, H. Wicking, J. Allen, Captain Clement, A. H. Mancell, C. Ewens, and J. Jupp.

Mr. JUPP read the notice calling the meeting.

The CHAIRMAN—Gentlemen, I will, with your permission, adopt the usual course and take as read the report and statement of accounts. You will see by the accounts that our year's working has been a successful one, and that the earnings have exceeded those of any previous year; and we trust, and have every reason to hope, that they will continue to steadily increase. I shall be pleased to answer any questions.

No questions were asked and the CHAIRMAN proposed the adoption of the report and statement of accounts.

Captain CLEMENT seconded.  
Carried.

The CHAIRMAN proposed the re-election of Messrs. Ewens and Orange as the Consulting Committee.

Mr. H. WICKING seconded.  
Carried.

Mr. J. R. MICHAEL proposed the re-election of Messrs. Fullarton Henderson and W. H. Potts as auditors.

Captain CLEMENT seconded.

The CHAIRMAN—That concludes the business of the meeting, gentlemen. Dividend warrants will be ready to-morrow.

The following is the report presented to the meeting.

To the Shareholders of the Hongkong High-Level Tramways Co., Ltd.

Gentlemen.—We beg to lay before you the report and statement of accounts for the year ending 30th November, 1896.

The total receipts for the twelve months, including \$16 transfer fees, amount to \$44,461.22. After paying interest and all running expenses and making provision for auditors' fees, there remains a net profit on the year's working of \$10,136.01, which, together with \$1,371.57 carried forward from last year, gives a sum of \$11,507.58 available for appropriation. Your General Managers and Consulting Committee recommend that a dividend of \$6.00 per share be paid to shareholders, absorbing \$7,500.00, that \$2,000.00 be written off the value of the Company's rolling stock, and that the balance, \$2,007.58, be carried forward to new account.

#### CONSULTING COMMITTEE.

In accordance with rule 15 of the Company's Articles of Association, the present members Messrs. Ewens and Orange, retire, but being eligible offer themselves for re-election.

#### AUDITORS.

The accounts have been audited by Messrs. Fullarton Henderson and W. Hutton Potts.

JOHN D. HUMPHREYS & SON,  
General Managers.

Hongkong, 18th December, 1896.

#### BALANCE SHEET FOR THE YEAR ENDING 30TH NOVEMBER, 1896.

LIABILITIES.	\$	c.
Capital account: 1,250 shares of \$100 each	125,000.00	
fully paid-up	125,000.00	
Debentures: £5 of \$500 each	30,000.00	
Local and general liabilities	8,005.37	
Profit and loss: Brought forward	\$ 1,371.57	
Profit and loss: For current year	10,136.01	
	11,507.58	
	\$174,512.95	

ASSETS.	\$	c.
Permanent way, concession, and deed of grant	130,000.00	
Stations, Crown leaseholds, and buildings (Inland Lots 1317, 1322, 1333, 1334, 1335, 1353, and R. B. Lot 86)	15,388.48	
Rolling stock	22,781.28	
Furniture account	159.00	
Coals and stores in hand	272.02	
Accounts receivable	412.00	
Cash in Hongkong and S'hai Bank	\$5,404.55	
Cash and compradore's orders in hand	495.62	
	5,900.17	
	\$174,512.95	

#### WORKING ACCOUNT.

Dr.	\$	c.
To salaries and wages	14,399.81	
To charges	1,848.04	
To maintenance and repairs	5,517.14	
To coals and stores	5,212.19	
To interest	2,761.51	
To rates, Crown rent, and fire insurance	736.72	
To godown and station rent, &c.	900.00	
To General Managers' and auditors' fees	1,350.00	
To office rent and clerks' salaries, &c., &c.	1,800.00	
To balance	11,507.58	
	\$45,832.79	

Cr.	\$	c.
By amount brought forward from last year	1,371.57	
By transfer fees	16.00	
By rent	264.00	
By traffic receipts for the year to date	44,181.22	
	\$45,832.79	

### GEORGE FENWICK AND CO., LIMITED.

An extraordinary general meeting of the shareholders of George Fenwick & Company, Limited, was held in the Hongkong Hotel on Tuesday morning for the purpose of altering and amending the Articles of Association. Mr. W. Parlange presided, and there were also present—Messrs. A. Rodger, W. G. Winterburn (General Manager), H. Hyndman, F. Henderson, G. C. Cox, J. Rodger, and E. S. Joseph.

The CHAIRMAN—Gentlemen, the object of this meeting is set out in the advertisement which has been in the local press for the past nine days, and in the posted notice of this meeting, with the special resolutions which have been in your hands twelve or thirteen days. [The Chairman then read the notice calling the meeting.] In accordance with the unanimous vote of the shareholders present at a meeting held here on the 13th of August last, that the Articles of Association of the Company be altered and amended by transferring the powers at present vested by these articles in the General Manager to a Board of Directors, we have requested your attendance here to-day to consider and, if approved of, to carry the special resolutions necessary for this purpose. You will observe there are fourteen special resolutions. These have been drawn out by Mr. Deacon, the solicitor, with the approval of your Consulting Committee. The second resolution you will notice deals with the management, and I may say with regard to the two members of the present Consulting Committee placing their names in the special resolution as directors that it was done merely to facilitate matters, as practically they have been Directors since Mr. Fenwick's death, but it is their opinion there should be three Directors whenever practicable. If anyone desires to make any remarks regarding these resolutions before I propose the passing of the special resolutions we will be pleased to hear them.

Mr. JOSEPH—I see that the remuneration of the Directors will be \$1,000. Does that mean for two or four?

The CHAIRMAN—For all.

Mr. JOSEPH—Whether there are two or four?

The CHAIRMAN—Yes. It is the intention of the present Consulting Committee always to have three Directors, but the number has been placed in these resolutions at not less than two or more than four.

No further questions were asked.

The CHAIRMAN—If there are no other questions, I beg to propose the special resolutions, a print of which has been sent to every shareholder, and I will treat them as read unless any shareholder wishes me to read them.

Mr. F. HENDERSON seconded.

Carried.

The CHAIRMAN—A meeting to confirm the special resolutions now passed will be held at a time and place of which due notice will be given. Gentlemen, that is all the business. I thank you for your attendance.

### RAILROADS.

The Nanking correspondent of the *N. C. Daily News* writes:—

It seems to have been decided at last to commence the rebuilding of the road from Woosung to Shanghai. It is confidently stated here in reliable circles that this will be the first attempt which Sheng Taotai will make in this province to inaugurate rapid transit. This short branch is to be commenced at once and has already had the sanction of the Viceroy. The route from Shanghai to Soochow and Chinkiang has been surveyed by Mr. Hildebrand and his associates. The road from Chinkiang to Nanking was surveyed last year by the Belgian engineers Messrs. Mahiels and Deloheraline, who were brought to China by Messrs. Vander & Co. from the celebrated firm of Cookerill. Plans for these roads are in the hands of Viceroy Liu, but the money question forms the barrier in the way of commencing work. The road from Shanghai to Chinkiang via Soochow is said to be very easy of construction, although it will require more than one hundred bridges, several of which would be of considerable length. Between Chinkiang and Nanking are a few ranges of hills and it is understood that seven or eight tunnels have been found necessary. The preliminary work has all been done and nothing now remains but to acquire the capital and begin the work.

It is reported here that Sheng Taotai is not finding it an easy task to carry on the railroad enterprise according to his own liking. He is denied direct access to the throne, as his petitions must be countersigned by Chang Chih-tung and Wang Wen-shao. These Viceroys and the Ministers at Peking desire Sheng to commence the railroad from the two ends Peking and Hankow and work toward their union at an intermediate point. Sheng is unwilling to do this, as he fears that the work may be stopped at any time and then he would have two railroads connecting with nowhere and of no value to anyone. Sheng's plan is to use half of the needed money, or twenty million taels, in the building of the road continuously from one end, and when this amount is used up and the benefits of the road are plainly seen by the subscribers, to ask for the remaining twenty millions so as to complete the road. Sheng's shrewdness does not seem to have deserted him and he is determined to provide against future storms which may overwhelm him as they have already done his former patron Li Hung-chang. Although he is wealthy and a favourite at Court he knows too well the latent strength of the opposing forces he is dealing with and does not care to trust himself too far in their power.

### THE TO-KIN FRONTIER TRAFFIC REGULATIONS.

The text of the Franco-Chinese Convention regulating frontier traffic in Tonkin has been issued to the public in Canton in the shape of a proclamation by the local authorities of that city. There are twenty-eight clauses in all. The land traffic provides international thoroughfare at ten different points on the frontiers and at each point there are to be military stations of both countries. The duty of these stations is to *visa* the passports which travellers must procure from the nearest French Consul in China. Any entrance into Tonkin territory or *vice versa* other than at the ten points mentioned in the Convention will, in future, be treated as trespass by the local authorities of either country. As for traffic by junk, each junk will in future be required to carry a passport from the nearest French Consul or Imperial Maritime Customs as well as a *huchao* (native passport) from the local mandarin of the port from which the junk sails. Any deviation from the rules of the Convention will render the junk liable to confiscation. *N. C. Daily News.*



# THE PUNJOM MINING COMPANY, LIMITED

The following is the report for presentation to the shareholders at the fifth ordinary general meeting to be held at the office of the Company, No. 9, Praya Central, at noon to-morrow.

The directors beg to submit the report and statement of accounts for the year ending the 30th September.

The net earnings for the year ending the 30th September last, after paying all charges and working expenses, and including the sum carried forward from last year, amounts to \$42,677.81.

The directors recommend that the accumulated dividend on the 30,000 preference shares, amounting to 50¢ cents per share, or \$15,150 be paid to preference shareholders; that a dividend for the year of 5 per cent, or \$11,869.80, be paid to the ordinary shareholders, and the balance, \$15,658.01, be carried to new account.

No writing down of property appears in the statement, as many additions and improvements were made which have been included in the working account, so that in the returns from Jalis, value of machinery, plant, &c., is given at \$109,977, whereas the value, as per the accounts presented, is only \$76,480.08, showing a surplus of \$33,496.92.

The machinery and plant have all been well looked after, and are now in excellent working order, so that good results may be expected in the current year.

## DIRECTORS.

Mr. Robert Shewan resigned on leaving the colony in August last, and Mr. C. A. Tomes was invited to the vacancy; this appointment requires confirmation at this meeting. Messrs. D. Gillies and W. R. Loxley retire in accordance with paragraph 104 of Articles of Association, but being eligible, offer themselves for re-election.

## AUDITORS.

The accounts have been audited by Messrs. F. Henderson and W. H. Gaskell, and the directors recommend these gentlemen for re-election.

D. GILLIES,  
Chairman.

Hongkong, December 26th, 1896.

## BALANCE SHEET, ON 30TH SEPTEMBER, 1896.

CAPITAL AND LIABILITIES.		\$	c.
Ordinary capital, 60,000 shares at \$4		240,000.00	
Less 651 shares not yet allotted		2,604.00	
		237,396.00	
Preference capital, 30,000 shares at \$1		30,000.00	
Accounts payable:—			
Manager at Punjom	\$13,354.58		
E. D. Miles & Co.	47		
Pekau agency	582.85		
Syme & Co.	246.07		
Suspense	1,630.00		
Deposit account with employees	100.00		
Directors' and auditors' fees	2,650.00		
Marine insurance on gold to London, &c.	1,160.00		
Royalty to Cassel Co.	1,787.46		
		21,511.43	
Balance at credit of working account		42,677.61	
		\$331,585.04	

PROPERTY AND ASSETS.		\$	c.
Cost of estate	155,821.76		
Machinery and plant	46,358.15		
Main shaft	10,000.00		
Cyanide plant	20,708.75		
Kludah Dam	3,266.85		
Buildings	7,051.74		
Roads and bridges	4,875.33		
Live stock	2,779.28		
Furniture at mine	1,291.06		
Stores in hand at Punjom	10,112.27		
Stores in transit	8,120.64		
Provisions in hand at Punjom	914.25		
Opium in hand at Punjom	1,072.55		
Cash in Hongkong and S'hai Bank, Hongkong	8,201.58		
Cash in Hongkong and S'hai Bank, Singapore	13,251.30		
Petty cash	117.29		
Head office furniture	281.30		
Water wheel	6,061.04		
James Morrison & Co., Limited	215.73		
Accounts receivable:—			
Advance on September gold	\$28,558.60		
Balance due on July gold	1,346.62		
Amount due by London agents	304.76		
		30,710.18	
Advance to employees at Punjom	360.00		
Amount advanced to telegraph master K'Lapis	14.09		
		\$331,585.04	

## WORKING ACCOUNT, 1st OCTOBER, 1895, TO 30th SEPTEMBER, 1896.

Dr.	\$	c.
To cost of mining	\$80,877.09	
To cost of milling	38,074.33	
To cost of calcining	5,740.66	
	124,692.08	
To cost of cyanide working	13,253.18	
To sundry charges:—		
Insurance	\$1,232.54	
Travelling expenses	1,594.02	
Upkeep of police	2,968.96	
Charges on gold shipment	1,778.38	
Gold purchases	153.37	
Payment to Toh Kaya at Lipis	360.00	
	8,090.27	
To head office expenses	4,567.11	
To legal expenses	12.50	
To telegrams	420.55	
To Guban prospecting	396.50	
To manager's salary and office expenses	11,122.02	
To agency commissions at Singapore and Pekan and general expenses at Punjom	7,249.51	
To royalty to Sultan of Pahang	13,096.59	
To approximate royalty to Cassel Company	1,787.46	
To directors' fees	2,500.00	
To auditors' fees	150.00	
To hotel and hospital expenses	307.90	
To land cultivation	98.00	
To transport account	10,060.05	
To balance	42,677.61	
	\$245,981.93	
Cr.	\$	c.
By balance from last year's account	12,929.79	
By gold account	228,738.53	
By interest	96.20	
By transfer fees	71.75	
By license fees	296.30	
By exchange	52.74	
By profit on sale of opium	\$3,090.96	
By profit on sale of provisions	2,705.16	
	5,796.12	
	\$245,981.93	

## CRICKET.

### H.K.C.C. v. UNITED SERVICES.

Weakened by the absence of its best stumper and by want of practice on the part of its best bats, small wonder the Club tasted the bitterness of defeat in Xmas Day and Boxing Day's match. It was just this absence of practice that spelled ruin for the Club; and surely no business can be so pressing as not to allow half an hour at the nets three times a week, which would be sufficient to train the eye to the flight of the ball, the vagaries of the light, and the pace of the ground. It really was heart-rending to see batsmen like Maitland, Beasley, Hancock, Anton, and Ward compile a despicable 30 between them. If the last four wickets put on 100 runs, what ought the first six best wickets to have done? To those in earnest, failure is the best incentive: may we hope that, first for sake of the game and next in the interests of the Club, members will not allow their skill to vanish for want of constant exercise?

The United Services began none too well and had lost five wickets for 77, to which Howard and Vallings were the chief contributors, the former playing excellent cricket. The fortunes of the side were retrieved by Perry, Ayscough, and Johnston, who took the total to 142 before they were separated, the R.N. man being taken by Ward after a hard hit innings. Fairie next partnered his captain, and the pair, by very sound batting, added another 40 before stumps were drawn. On resuming on Saturday, the Surgeon-Major did not long trouble the field, as he was smartly captured at cover point and returned to the Pavilion with a well played and serviceable 35 to his account. Two runs later Fairie was well caught by Hancock, the bowler who exhibited a length of reach surpassing all family and club expectations. The retiring batsman well deserved all the runs he made. Arbutnot established his claim to be called up higher, a claim which was recognised in the second innings when he accumulated 60 by vigorous methods, bringing his total for the match to 78, with an intact wicket. Bad luck has dogged his steps hitherto, so that this success comes with added pleasure, and alas! upon the eve of his departure. The last four wickets fell cheaply for under 30 runs on Saturday morning. The Club fielding was done in good workmanlike style, the throwing in of Anton, and of Cox being

noticeable and the work of Gillingham, who always plays up hard. Kew kept wicket with credit and with pluck, as anyone who saw his hands both before and after the innings was over would have said, with practice, he should prove of much service. Smith had the best analysis, no other bowler troubling up to form.

With the undoubted batting talent possessed by the Club, with the wicket fast and true, and with the quite mediocre bowling to be encountered, a score of 221 should easily have been surpassed. But disaster loomed on the scene from the first and without detracting from the merits of Howard's bowling—six good wickets were, to everyone's surprise, gone for a paltry 45 runs! Ram and Cox stemmed the tide, the Secretary by sound and effective defensive tactics and the recruit from Shanghai by a vigorous offensive game. They showed, in short, what two men, though in straits, may do when in earnest and put on their mettle. Sixty runs was the tale of their partnership. Unfortunately when Smith came in Ram's display was closed by one of Bease's peculiars. His 38 was the best innings on his side and gave rise to often expressed regrets that he so seldom is seen in match play. Gillingham helped Smith to put on 28 runs; he played the underhand bowler very well, but failed to get hold of one from Vallings. Kew was last man and had orders to play a strictly defensive game; this he did, but Vallings broke down his defence. A Johnstone kept wicket as only an old hand at the job knows how, and Trotman dismissed Cox by a very well judged catch. At one time Howard's analysis read 12 overs, 6 maidens, 12 runs, and 4 wickets!

With a lead of 73 the United Services batted again. The chief incidents were a dashing catch in the slips, the smart stopping and throwing in of Cox, who, with more practice on this ground, should also sustain his reputation as a bowler—and the confident batting of Arbutnot and Dyson, who ran up 60 not out and 52 not out respectively.

The ladies' marquee was full of visitors, some of whom showed great interest in the game and summed up the capabilities of their respective heroes in language that discovered a lack of unanimity of opinion.

By the kindness of Col. Gordon and officers, the Band of the W. Y. Regiment splendidly rendered a good programme, which included an item by the accomplished band-master, Mr. Bentley.

Appended are the score and analysis—

ARMY AND NAVY.		1st Innings.	2nd Innings.
Capt. Langhorne, R.A., not out	5		
Capt. Dyson, A.P.D., and Hancock	10	not out	52
T. Howard, W.Y.R., b Sercombe Smith	27		
Rev. G. Vallings, c and b Sercombe Smith	18		
Lt. Perry-Ayscough, R.N., c Ward, b Gillingham	45		
Capt. Trotman, R.M.L.I., c Kew, b Sercombe Smith	9		
Surgeon-Major Johnston, A.M.S., c Gillingham, b Sercombe Smith	35		
Lieut. Arbutnot, R.N., not out	18	not out	60
C. Gordon, W.Y.R., b Hancock	9		
Q.M.S. Serg. Bease, R.A., b W. Sercombe Smith	0		
Lt. Fairie, R.N., c and b Sercombe Smith, b Hancock	24	Hancock	5
Extras	21	Extras	4
	221		121

BOWLING ANALYSIS.		First Innings.	Second Innings.
Overs	Maidens	Runs	Wickets
Hancock	24.2	42	3
P. A. Cox	15	38	—
Sercombe Smith	18	52	—
E. W. Maitland	10	21	—
Gillingham	9	23	—
E. Mast	3	7	—
E. H. Beasley	3	17	—
		Second Innings.	
Sercombe Smith	9	35	—
Hancock	10	21	—
Cox	6	20	—
E. W. Maitland	5	9	—
Gillingham	7	16	—
Beasley	2	10	—



CLUB.					
E. W. Matland, l.b.w. Vallings	7				
E. H. Beasley, c and b Howard	0				
E. H. Hancock, c Perry Ayscough, b Howard	11				
A. S. Anton, b Howard	0				
A. G. Ward, c Blease, b Howard	13				
E. A. Ram, b Blease	38				
E. Mast, c Fairie, b Vallings	9				
P. A. Cox, c Trotman, b Dyson	29				
T. Sercombe Smith, not out	21				
J. R. Gillingham, c Perry Ayscough, b Vallings	14				
F. H. Kew, b Vallings	0				
Extras	6				
	148				
BOWLING ANALYSIS.					
	Overs.	Maid.	Runs.	Wides.	N.B. Wickets.
Vallings	21.2	7	59	—	4
Howard	26	9	43	—	4
Q.M.S. Blease	12	6	22	—	1
Dyson	7	2	18	—	1

### FIRE IN A THEATRE AT FUOCHOW.

#### THREE HUNDRED LIVES LOST.

On Thursday evening, 10th December, a theatrical performance was held for the first time in a temple at Kwangtow and being a novelty the place was perfectly packed with people, women and children (contrary to custom) being present. Of the three entrances to the temple the large central door was closed, and outside it a gambling table had been placed. In adding oil to their lamp at this gambling table some was spilled on the ground and afterwards a piece of lighted candle being carelessly thrown down set the oil alight. In getting boards from the stage to beat this fire out they struck a lamp hanging in the temple, which broke and set the place inside on fire. The crowd, panic-stricken, tried to force a way out through the two small doors, which soon got so choked that there was no means of egress. It is said that, counting women and children, quite 300 must have perished. Of the forty actors only four escaped. Two of the survivors have been brought to the Native Hospital. It is feared that one of these is so badly injured he cannot recover.—*Echo*.

### FORMOSA.

[FROM OUR SPECIAL CORRESPONDENT.]  
TAIPEFU, 21st December, 1896.

His Excellency Lieut.-General Baron Nogi, the new Governor-General, has been a very busy man during the few days which have followed his arrival. Besides the extra labour occasioned by the outbreak of plague, he has the plans for the new living quarters for the Government officials on his hands; the numerous schemes for general improvements throughout the island to be considered, and, perhaps the most difficult of all, the close study and attention required to pick out the good and the bad in the present administration and to devise such changes as will ensure a just and impartial government to all. Having reached a conclusion on many points, he has had assembled with him at the capital for the last few days the head officials at the different districts throughout the island and the Pescadores. The following, which is a synopsis of the closing address delivered before the officials by His Excellency, is important, as it announces in a general way the policy by which the island will be governed.

"When the Government house of Taiwan was first opened, the island was in a state of disturbance, caused by the opposition which the Japanese received from the native rebels and remnants of Chinese soldiery. Consequently it was not until last March that the regulations for the civil government of Taiwan were put in force and the foundation of the administration established. Since then more than a half a year has elapsed, during which period vigorous efforts were made that there should be a generalization of administration in all the districts acting with the central Government as adviser on even comparatively minute matters. In the future the local Governors will be given more power in the governing of their respective districts, referring to the central Government in matters of importance. It seems positively necessary that more local offices be established, and that the subordinate officials

who are to fill these posts be appointed from the respectable class of natives, as far as possible, with the view of improving the understanding between Japanese and Chinese, and of insuring more consideration for the wants of the latter. The preparatory investigations affecting these changes have been made and the matter will be laid before the coming session of the Imperial Diet, which meets this month, with the hope that the result will be favourable, so that it will be possible to introduce the corrected form of administration in Formosa on 1st April next. We are placed here among a people who differ from us in language, dress, and customs, and it seems specially necessary that for the establishment of law and order the enforcement of our laws be placed in the hands of police remaining for a long term in the island and who can become familiar with the character and habits of the native population. It is likely occasional riots and petty rebellions will occur for several years. From such disturbances the peaceful natives must be protected, and to do so effectively our present force of police must be greatly augmented. We extremely regret the unfortunate condition in which some of the natives of the island were thrown during the late disturbances, but now that peace is restored in their districts it is important that strenuous efforts be made to restore public confidence and assist the natives in regaining their former condition of prosperity. The establishment of various industries, the improvement of means of transportation, sanitary works, and the introduction of an educational system are all of immediate necessity for our welfare in the island. There is still another and a great value in these works, when we consider that the ultimate effect of placing before the natives, for their convenience as well as ours, these arts of civilization will no doubt be to convince them that our intentions are good and that we are sincere in our wish to benefit them. Generally speaking, work on these improvements has already been commenced, and I am in a position to state that it will proceed in due course. The local officers are requested to give all possible assistance in their respective districts in such work. The habits and customs handed down by their ancestors are deeply impressed upon the minds of the Chinese inhabitants and to such an extent that they are generally more highly respected than even the laws of their land. In Formosa we should allow them perfect freedom of action in these matters, so far as they do not interfere with the administration of our laws or encroach upon the liberties of others. Thus the queues, the foot-binding, the dress should be left to their choice, and as to the use of opium, it will be tolerated with certain restrictions until such a period as the entire abolition can be effected."

Mr. Nao Nabekra, Hongkong agent of the Yokohama Specie Bank, who is in the city, gave to the foreign community a most enjoyable dinner and entertainment at the new Azuma restaurant last week.

The plague still claims occasional victims. Two of Japan's leading doctors are here to make close examination into the disease. For the last few days no new cases have been reported.

Okura, Tokyo's great merchant, has arrived at Taipei.

JAS. W. DAVIDSON.

### HANOI.

[FROM OUR OWN CORRESPONDENT.]

16th December.

The substitution of the College National (Quoc-hoc) for that of Hanh-ngon at Hué shows how far French prestige is gaining on the Annamites. The French language will be the principal subject taught, though Chinese characters will not be neglected. The staff is to be composed of one Director (nominated by the Governor-General of Indo-China, upon the proposition of the Resident Superior of Annam, and submitted by the Secret Council of the Court of Hué), four Professors of different classes (1st, 2nd, 3rd, 4th), one Professor for the elementary course, two superintendents, one secretary, and one guardian (appointed by the Minister of the Interior). They will be lodged in the College and, being all mandarins, will continue to receive the pay of their grade,

besides which the Director will receive a monthly salary of \$50, the Professor of the first class \$25, of the second \$20, of the third \$15, of the fourth \$10, and of the elementary course \$10. The Director is to be provided with official seals and may correspond directly with the Resident Superior, the Co-mat (Secret Council), and the Ministers. The Professors will not be admitted to teach unless they have satisfied a special commission appointed by the Resident Superior of their ability and aptitude.

The sons of the princes of blood (cong-tu), the young men of the different branches of the Imperial Family (ton-sanb), the privileged sons of mandarins (am-tu), the scholars of Quoc-tu-giam (a college in the capital), those of the Hanh-nhon, as likewise those of the official schools in the principal places of provinces, will be admitted into this college, provided they be from fifteen to twenty years of age and their instruction in characters be sufficiently advanced. They will enjoy the right of free board and lodging, and a subsidy besides. Persons who have passed the age of twenty will not be admitted unless they show a remarkable aptitude for study. The sons of the people will also be admitted under the denomination of Hoo-sanb, should they succeed in a special examination intended to test their aptitude and progress, and show themselves capable and willing to profit by the lessons. Children from eight to fifteen years of age may attend as day scholars and will receive an elementary course of instruction in a particular section of the school.

The College will be under the supervision of the Resident Superior and all its rules and regulations, as well as everything in respect to its maintenance and working, must be submitted to him by the Secret Council for his approval. All expenses in connection with the establishment will be defrayed by the Annamite Government.

I have heard a similar establishment will shortly be founded at Hanoi.

The remains of the late M. Rousseau will be conveyed to Haiphong by the gunboat *Moulun* on Saturday morning, 19th inst., while the family will go down by the *Tuyen Quang*. Capt. Halluyte, a school-mate of M. Rousseau's, has been deputed to accompany the remains to France. A deputation of officers will likewise accompany the party to Haiphong.

There have been two slight engagements with the pirates; one between the Tong-Doo of Bac-ninh and Doc-thu, at Seven Pagodas, in which two Annamite soldiers were wounded; and the other between some villagers and the band of Lanb-Tuc on the 14th instant, in which the marauders lost three men and one woman (who followed the band), and the villagers one man.

At Tuyen-Quang a safe containing \$2,000 was stolen from the bureau of the place, which is situated next door to the Police station. No trace of the robbers has yet been obtained.

### MACAO.

[FROM OUR CORRESPONDENT.]

26th December

H.E. Senhor Horta e Costa is attending seriously to the question of dredging the harbour, and no doubt as far as his power extends he will do all he can to effect the much needed improvement. As long as we have Senhor Horta e Costa as our Governor some hope will remain for the welfare of the colony, for he has its interests at heart. I hear that negotiations for the building of a dredger are in progress with the Hongkong and Whampoa Dock Company.

The reconstruction of the Volong quarter is the most important improvement that Senhor Horta e Costa has as yet executed in the colony. The smaller houses that have been built are already nearly all occupied and the larger houses are approaching completion. Volong will soon be one of the finest quarters of the city with good and well ventilated houses, wide streets, and good drains. For this we are entirely indebted to Senhor Horta e Costa and the work redounds to his credit. The paddy fields adjoining have been filled up to the level of the road and are to be planted with trees.

I hear that some half-dozen persons who are trying to form a party against Senhor Horta e Costa are going to start a newspaper to ventilate their views, but it would be



better if they could find something else to do. However, they will defeat their own aims and only succeed in increasing the esteem in which the Governor is held. In face of the great public demonstration made in His Excellency's honour on his return to the colony they ought to recognise that their campaign against him is quite hopeless. The party had its origin in the action taken by Senhor Horta e Costa in connection with the administration of the funds of the Santa Casa de Misericordia. Grave irregularities having been discovered His Excellency dismissed the old committee and appointed a new one. This offended the members of the old committee, but His Excellency would have failed in his duty had he allowed the matter to pass.

### HONGKONG.

Fine weather favoured the Christmas holidays, which were quietly enjoyed. On the 22nd inst. the Chief Justice distributed the prizes at St. Joseph's College and made an excellent speech on the Education question. On the 23rd inst. His Excellency the Governor proclaimed the Foreign Enlistment Act in force in reference to the rebellion in the Philippines. Two torpedo destroyers, the *Hart* and *Handy*, have arrived in port after rather a stormy passage.

The Smoking Concert Club held its first concert of the season at the Theatre Royal on Saturday evening. The Hon. F. H. May, C.M.G., was in the chair.

The meeting of the Legislative Council which was to have been held on Monday next is further postponed until Monday, 4th January.

It is notified in the *Gazette* that H.E. the Governor has given his assent in the name and on behalf of the Queen to the Military Contribution Ordinance and the Appropriation Ordinance, 1897.

The Hon. Treasurer of the Alice Memorial and Nethersole Hospitals begs to acknowledge with thanks the following donations to the funds of the Hospitals:—

Pawnbrokers' Guild ..... \$ 100

The Secretary of the Punjom Mining Co., Limited, informs us that he has received telegraphic advice from the mine to the effect that milling was resumed on the 20th inst. and that the water wheel had been started and found to work perfectly.

It is notified in the *Gazette* that Captain John McCallum, Hongkong Volunteer Corps, has been placed on the supernumerary list and that Lieut. Arthur Chapman has been appointed a Captain in the Corps, with effect from the 1st January, 1897.

The dead body of a well dressed Chinaman was found on Bowen Road, near the filter beds, on the 22nd December. The body, which was in a sitting posture, was removed to No. 2 Police Station, where it awaits identification. The cause of death is not yet known.

The Norwegian steamer *Nord*, from Christiania to Hongkong, went ashore on the afternoon of the 20th December, we learn from the *Straits Times*, on Pulo Hantu after leaving New Harbour Wharf. She was got off without damage the same night at eight o'clock.

The sudden fall in the temperature on the 22nd and 23rd December made people acutely feel the pinch of the cold weather, which is certainly very appropriate for Christmas time. The atmosphere was very chilling in the lower levels, and at the Peak many residents woke up yesterday morning to find ice outside their houses.

The *Singapore Free Press* of the 15th December says:—H.E. Vice-Admiral Buller has transferred his flag to H.M.S. *Alacrity*, in which, with Lady Buller, he will proceed to-morrow afternoon for Klang. The *Alacrity* will return to Singapore and meet the next outward mail, and will then proceed to Labuan and Sarawak, thence to Hongkong.

Christmas Day was duly honoured by the police at the Central Station by an exceptionally pleasant party which was given on Friday night. There were fully two hundred people present and the best of hearty enjoyment was found in dancing and music, the merriment reigning until the very early hours of Boxing Day. The police treated their friends in a most hospitable style and made everyone wish that gatherings like this were more frequent.

There were 2,232 visitors to the City Hall Museum last week, of whom 121 were Europeans.

The property known as Myrtle Bank, at the Peak, was offered for sale by auction by Mr. J. M. Armstrong on the 23rd December, but was bought in at \$15,500.

A most successful dance was given on Monday night at the German Club of Marine Officers and Engineers. There was a large attendance of members and many guests were also present and until the early hours of the morning the enjoyment was unceasing. The music was supplied by the band of the German cruiser *Kaiser* and was highly appreciated. Mr. A. Hahn, the Club Secretary, was responsible for the general arrangements and to his energetic management the success of the dance was in a large measure due.

The installation meeting of Victoria Lodge was held on the 22nd December, when Bro. G. P. Lammert was installed as Worshipful Master for the ensuing year, the installation ceremony being conducted by Right Wor. Bro. the Hon. C. P. Chater, District Grand Master, who was attended by Wor. Bro. E. C. Ray, D.D.G.M., and the Grand Lodge officers. Wor. Bro. Lammert invested his officers as follows:—S.W., Bro. K. W. Mounsey; J.W., Bro. W. M. Thompson; Treasurer, Bro. Wm. Whaley; Secretary, Wor. Bro. A. O'D. Gourdin; S.D., Bro. E. W. Spriggs; J.D., Bro. F. D. Goddard; D.C., Bro. J. H. Underwood; Organist, Bro. G. Grimble; Steward, Bro. G. F. H. Potts; I.G., Bro. N. Mumford; Tyler, Bro. J. R. Grimble.

On the 21st December the German Consul gave a concert and a ball at the German Club in honour of Admiral Tirpitz, commanding the German squadron on this station. About 150 guests were present and they included H.E. the Governor, Sir William Robinson, H.E. Major-General Black, many German naval officers, and the various Consuls in the colony. The concert was a rich musical feast and each of the eight items on the programme was of a high class and exceptionally well given. The dancing was most enjoyable and during a break in the proceedings supper was served and toasts were proposed by the German Consul, the health of Admiral Tirpitz being drunk with musical honours and rounded off with the "tiger."

The installation meeting of Zetland Lodge was held on Saturday evening, when Bro. R. Mitchell was installed in the chair by the District Grand Master, Right Wor. Bro. the Hon. C. P. Chater, who was attended by the District Grand Lodge officers. There was a very large attendance, and the Lodge was honoured by the presence of H.E. Sir William Robinson. Wor. Bro. Mitchell invested his officers as follows:—S.W., Bro. G. J. B. Sayer; J.W., Bro. J. Lochead; Treas., Wor. Bro. G. A. Caldwell; Sec., Bro. G. Piercy, Jr.; Organist, Bro. G. Grimble; S.D., Bro. W. J. Tutcher; J.D., Bro. G. C. Hayward; I.G., Bro. J. W. L. Oliver; D.C., Bro. H. Brost; St., Bro. S. W. Hayward; Tyler, Bro. J. Maxwell. After the Lodge was closed a banquet was held, when the usual loyal and masonic toasts were duly honoured, and a number of the brethren contributed songs.

On the 24th December the Namhoi Magistrate went with a party of soldiers to Fung-yuen Street, Canton, to seal up a house which belongs to a merchant carrying on business in Hongkong and San Francisco. We learn, says that *Chung Ngai San Po*, that the reason why the house is sealed by the Government is that the Viceroy has received a telegram from the Chinese Consul-General in San Francisco stating that a fight had broken out between the two parties named Sz-yap and Nam Pun-shun in San Francisco, and that the merchant to whom the sealed-up house belongs is a leading man of one of the parties. He failed to comply with the request of the Consul-General to stop the fight, so that the Consul telegraphed to the Canton Government to have his house sealed up. The Chinese merchants in San Francisco on hearing of this were very angry and they intend to employ legal advice with a view of securing the protection of the Government of the United States against the action of the Canton Government.

The Joint Telegraph Companies advertise that they will make in some cases a substantial reduction on their rates to The Straits, India, Australia, and other Eastern countries. Taking into consideration the reductions in the local and district rates that were made on the 1st July last, the further reductions which come into force on the 1st January, and also an extension of the system of reduced press rates, it will be recognized that the interests of the telegraphing public have been, as regards the Eastern hemisphere, met by the Companies in a fairly liberal spirit. The Companies allege that the loss of revenue that will be incurred by the reduced rates is considerably greater than the increase of revenue consequent upon the readjustment of rates on 1st August last. We may take the liberty of doubting that statement, bearing in mind that the large bulk of the traffic is with Europe and America; but even if so it may safely be predicted that it will be only temporary, an increase of traffic being bound to follow. It is only fair that for what we are about to receive we should be duly thankful.

The annual meeting of the District Grand Lodge of Hongkong and South China was held on Tuesday, when the District Grand Master, Right Worshipful Brother the Hon. C. P. Chater, appointed his officers as follows:—D.G.S.W., Wor. Bro. G. C. Cox; D.G.J.W., Wor. Bro. G. L. Tomlin; D.G. Chaplain, Wor. Bro. G. C. Anderson; D.G. Treasurer, Wor. Bro. G. Caldwell; D.G. Registrar, Wor. Bro. S. J. Hanisch; D.G. President of the Board of General Purposes, Wor. Bro. J. Bryant; D.G. Secretary, Wor. Bro. A. O'D. Gourdin; D.G.S.D., Wor. Bro. F. Cass; D.G.J.D., Wor. Bro. H. J. Watson; D.G. Superintendent of Works, Wor. Bro. R. Mitchell; D.G.D.C., Wor. Bro. T. Spafford; D.G.A.D.C., Wor. Bro. A. Jensen; D.G. Sword Bearer, Wor. Bro. F. W. Edwards; D.G. Standard Bearers, Wor. Bro. W. Graham and Bro. G. J. B. Sayer; D.G. Organist, Bro. C. F. G. Grimble; D.G. Pursuivant, Wor. Bro. H. E. A. Hoile; D. G. Assistant Pursuivant, Wor. Bro. J. Farrow; D. G. Stewards, Bros. K. W. Mounsey, J. Lochead, D. Hall, C. J. Lafrentz, J. Hutchison, and C. Gray; D. G. Tyler, Wor. Bro. J. R. Grimble. Wor. Bro. P. R. Simmonds and Wor. Bro. W. C. H. Hastings were elected unofficial members of the Board of General Purposes.

### COMMERCIAL.

#### TEA.

SHANGHAI, 24th December.—(From Messrs. Welch, Lewis & Co.'s Circular).—Our last "printed" Tea market advices were under date 11th inst. Black Tea.—The only settlements reported are two small chops shipped off on native account. The Committee of buyers has arrived at the conclusion that no scheme for combined native and foreign action to improve the methods of curing Tea is workable and that it must be left to individual effort. Foreign buyers will not unite at present to bring about the desired change, though the whole expenditure necessary to re-habilitate the British and American trade would probably not exceed a couple of thousand pounds. One demonstration of the enhanced value of machine-made Tea compared with that made by the primitive native methods would suffice to transform the whole trade in a few years. If the trade to England were regained the Customs revenue would be increased by some two million taels a year, and it is a question which is worthy the attention of the authorities.

Settlements reported are:—

Oonam ..... 337 half-chests shipped off.

Green Teas.—Pingsueys moderate settlements continue at about previous prices, a considerable portion being shipments on active account.

Country Teas.—Although the stock on offer is very small, and no further supplies are expected from the country, this market has been very quiet, and most of the settlements show a further decline of about a tael a picul. Pingsueys have not been much dealt in, and could be bought at a decline of Taels 2 to 3 for nearly all grades, except "choicest."

Settlements reported since 11th inst.:

Pingsuey ..... 6,652 chst. at Tls. 184 to 28 a picul.  
Moyune ..... 2,560 " " 194 to 28 " "  
Tienkai ..... 927 " " 20 to 35 " "  
Local packed ..... 231 " " 174 to " "

Total ..... 10,370 1/2 chts.







ON PARIS—	
Bank Bills, on demand	2.67
Credits, at 4 months' sight	2.72
ON GERMANY—	
On demand	2.16
ON NEW YORK—	
Bank Bills, on demand	51
Credits, 60 days' sight	52
ON BOMBAY—	
Telegraphic Transfer	163
Bank, on demand	164
ON CALCUTTA—	
Telegraphic Transfer	163
Bank, on demand	164
ON SHANGHAI—	
Bank, at sight	71
Private, 30 days' sight	72
ON YOKOHAMA—	
On demand	4% pm.
ON MANILA—	
On demand	7% pm.
ON SINGAPORE—	
On demand	4% pm.
SOVEREIGNS Bank's Buying Rate	9.30
GOLD LEAF, 100 fine, per tael	48.60

## JOINT STOCK SHARES.

HONGKONG, December 30th.—The Christmas holidays have interfered with the little business that was doing to an appreciable extent and there is even less than usual to report. Rates have shown an inclination to weakness, the approaching settlements having to some extent affected them, but at time of writing it looks as though all settlement arrangements had been made and an advance in rates probable.

BANKS.—The market has ruled very quiet and beyond small sales of Hongkong and Shanghai at 181 per cent. prem. and of Nationals at 226 there is nothing to report.

MARINE INSURANCES.—China Traders have found buyers at \$74½, at which a fair number have changed hands. Other Marines have been neglected, with small sales in Shanghai of Yangtzes and North Chinas at quotations.

FIRE INSURANCES.—There is no business of any importance to report. Both Hongkongs and Chinas have been on offer during the week at quotations without leading to any but the smallest sales.

SHIPPING.—Hongkong, Canton and Macao continue to change hands in small lots at \$32½ and \$32½ for cash, and at equivalent rates on time; the market closes firmish at the latter rate. Douglasses have found buyers at \$57 and are in demand at the rate. Indo-Chinas, China Manilas, and China Mutuals continue neglected with no business at quotations.

REFINERIES.—China Sugars have ruled steady with sales at \$136 and \$135, closing weak at latter rate. Luzons still remain quiet without any business to speak of.

MINING.—Punjoms have continued very quiet with only small sales at \$12. The report now issued recommends dividends as set forth in my last and carrying forward \$15,658 to new account. Nothing has been written off property or plant on the grounds that the expenditure on this account out of earnings has increased the value sufficiently to be able to safely leave it at the amount now standing in the books. The net profits for the year including \$12,929.79, brought forward from last account amount to \$42,677.81. Rauls have changed hands at \$9.25, and are wanted at \$9 without finding sellers. Jelebus are weak at \$2.65 without sales, and Balmorals have changed hands in fair lots and close strong at \$1.15.

DOCKS, WHARVES, AND GODOWNS.—Hongkong and Whampoa Docks have ruled steady with sales at 214, 213, and 213½, closing steady at 214 per cent. prem. Kowloon Wharves have changed hands at \$59½ and \$59, closing weak. Wanchais unchanged.

LANDS, HOTELS, AND BUILDINGS.—Hongkong Lands have found buyers at \$75 and \$75½, closing steady at latter rate. Hotels are still in request at \$30½ and West Points at \$18½. Humphreys after further sales at \$9.25 are wanted at \$9 to \$9.25.

MISCELLANEOUS.—Electrics have improved to \$6.50 with buyers and no sellers. Fenwicks have changed hands at \$29½ and are wanted at that rate. Watsons after small sales at \$12.25 close weak. Bell's Asbestos (17/6) have declined to \$7½ with sellers.

## Closing quotations are as follow.

COMPANY.	PAID UP.	QUOTATIONS.
Danks—		
Hongkong & S'hai	\$125 181	100% prem=
China & Japan, prf.	\$5 nominal	
Do. ordinary	\$1 10s	nominal
Do. deferred	\$1	25, buyers
Natl. Bank of China		
B. Shares	\$8	\$26
Founders Shares	\$1	\$100, sellers
Bell's Asbestos E. A.	15s	\$7½, sellers
Brown & Co., H. G.	\$50	(in liquidation)
Campbell, Moore & Co.	\$10	\$8
Carmichael & Co.	\$20	\$3
China Sugar	\$100	\$134, sales
Dakin, Cruick & Co.	\$5	nominal
Dairy Farm Co.	\$5	\$5, nominal
Fenwick & Co., Geo.	\$25	\$29½, sales & buyers
Green Island Cement	\$10	\$18½, buyers
H. & China Bakery	\$50	\$30
Hongkong & C. Gas	\$10	\$110
Hongkong Electric	\$8	\$8½, sales & buyers
H. H. L. Tramways	\$100	\$93, ex div. sellers
Hongkong Hotel	\$50	\$30½, buyers
Hongkong Ice	\$25	\$108, buyers
H. & K. Wharf & G.	\$50	\$59, sellers
Hongkong Rope	\$50	\$1 5
H. & W. Dock	\$125	214 p. ct. prem=
Insurances—		
Canton	\$50	\$182½, sales & b
China Fire	\$20	\$103, sales
China Traders	\$25	\$74½, sales
Hongkong Fire	\$50	\$365
North China	\$25	Tls. 195
Straits	\$20	\$26, sales & sellers
Union	\$25	\$220, sales & buyers
Yangtze	\$60	\$144, sellers
Land and Building—		
H. Land Investment	\$50	\$75½, sales & buyers
Humphreys Estate	\$10	\$9, buyers
Kowloon Land & B.	\$30	\$17, sellers
West Point Building	\$40	\$18½, buyers
Luzon Sugar	\$100	\$45, sales & buyers
Mining—		
Charbonnages	Fcs. 500	60
Jelebu	\$5	\$2.65, sellers
New Balmoral	\$3	\$1.15, sales & buyers
Oliver's Mines, A.	\$5	\$5, sellers
Do. B.	\$2½	\$2½, sellers
Punjom	\$4	\$12, sales
Do. Preference	\$1	\$3.90
Rauls	13s. 10d.	\$9, sellers
Steamship Coys.—		
China and Manila	\$50	\$67, sales
China Mutual Ord.	\$5	\$2.5s, sellers
Do. Preference	\$10	\$7, sellers
Douglas S. S. Co.	\$50	\$57, sales
H. Canton and M.	\$15	\$32½, buyers
Indo-China S. N.	\$10	\$40
Wanchai Wareh's Co.	\$37½	\$45
Watson & Co., A. S.	\$10	\$12.25, sal. & sellers

J. Y. V. VERNON, Broker.

## TONNAGE.

HONGKONG, 30th December.—The volume of business transacted during the past fortnight has been small and there has not been much enquiry for steam tonnage coastwise. Saigon-Hongkong charters after a very long period of inactivity show some signs of recommencing operations. One charter of a medium-sized steamer at 8½ cents is reported and further suitable tonnage might be fixed at this rate or possibly a little better. From Saigon to Java and to Singapore the demand seems to have fallen off somewhat, but last rates for both voyages show an advance. From Bangkok to this there is very little doing at present, but to Singapore some fixtures have been made. From Java to Hongkong tonnage is not enquired for at present. Japan coal freights have weakened somewhat and charters have been effected from Moji to Hongkong at \$1.15 and \$1.10 per ton. To Singapore the rate remains at about \$2.10 per ton. Sailing tonnage.—No further settlements are reported either for New York or for San Francisco. For Callao the *Frederic P. Litchfield* has been fixed.

There are four vessels disengaged in port, registering 5,430 tons.

The following are the settlements:—

<i>Frederic P. Litchfield</i> —American bark, 1,042 tons, Hongkong to Callao, \$1,500.
<i>Albion</i> —German steamer, 1,201 tons, Moji to Hongkong, \$1.20 per ton.
<i>Independent</i> —German steamer, 1,040 tons, Moji to Hongkong, \$1.20 per ton.
<i>Chusan</i> —German steamer, 719 tons, Moji to Hongkong, \$1.20 per ton.
<i>Wongkai</i> —British steamer, 1,115 tons, Moji to Hongkong, \$1.10 per ton.
<i>China</i> —German steamer, 1,093 tons, Saigon to Hongkong, 8½ cents per picul.
<i>Prope</i> —German steamer, 791 tons, Saigon to Singapore, 12½ cents per picul.

*Martha*—German steamer, 1,560 tons, Saigon to Singapore, 12½ cents per picul.

*A. C. N. Company's steamer*, Saigon to Sourabaya, 18 cents per picul.

*Loyal*—German steamer, 1,237 tons, Bangkok to Hongkong, 11/16 cents per picul.

*Chusan*—German steamer, 719 tons, Haiphong to Yokohama, 25 cents per picul.

*Produce*—Norwegian steamer, 1,002 tons, Hongkong to Singapore, \$1.60 per ton.

*Quarta*—German steamer, 1,146 tons, Hongkong to Chinkiang, \$2.25 per ton.

*Independent*—German steamer, 1,040 tons, Hongkong to Kobe, \$1.725.

*Wootan*—German steamer, 1,201 tons, monthly, 6/3 months, \$4,250.

*Oso*—Norwegian steamer, 780 tons, monthly, 3 months, \$3,200.

*Frej*—Danish steamer, 420 tons, monthly, 1/1 month, \$2,000.

*Tales*—German steamer, 939 tons, Haiphong to Hongkong, \$2,500.

*Progress*—German steamer, 799 tons, monthly, 3 months, \$3,500 per month.

## VESSELS ON THE BERTH.

For LONDON.—*Palawan* (str.), *Glenarry* (str.), *Pakling* (str.), *Sunda* (str.), *Borneo* (str.), *Kago-shima Maru* (s.r.).

For SAN FRANCISCO.—*Matterhorn* (str.), *City of Peking* (str.), *Sumbawa*, *Doric* (tr.).

For BREMEN.—*Bayern* (str.).

For VICTORIA.—*Pelican* (str.).

For NEW YORK.—*William H. Smith*, *Peribotot*.

For MARSEILLES.—*Yarra* (str.).

For VANCOUVER.—*Empress of China* (str.).

*Sachem*, *Cassius* (str.), *Benjamin*, *Sewall*, *Port Adelaide*, *Polyphemus* (str.).

For AUSTRALIA.—*Tainan* (str.).

## SHIPPING.

## ARRIVALS AND DEPARTURES SINCE LAST

## MAIL.

## HONGKONG.

## December— ARRIVALS.

23, Centurion, British flagship, from S'pore.
23, Haitan, British str., from Coast Ports.
23, Quarta, German str., from Moji.
23, Peiyang, German str., from Canton.
23, Yungching, Chinese str., from Canton.
23, Paoting, British str., from Chinkiang.
23, Sadley, British str., from Amoy.
23, Lienshing, British str., from Wuhu.
23, Sydney, French str., from Marseilles.
23, Taksang, British str., from Chinkiang.
23, Propontis, British str., from Singapore.
24, Canton, British str., from Canton.
24, Chingping, Chinese str., from Canton.
24, Wosang, British str., from Canton.
24, Dordogne, French str., from Shanghai.
24, Porpoise, British g-bt., from Singapore.
24, Hector, British str., from Moji.
24, Handy, British torpedo-boat, from Saigon.
24, Hart, British torpedo-boat, from Saigon.
24, Woosung, British str., from Canton.
24, Victoria, British str., from Whampoa.
24, C. H. Kian, British str., from Singapore.
24, Chunsang, British str., from Calcutta.
24, Szechuen, British str., from Canton.
24, Doris, German str., from Haiphong.
24, Radnorshire, British str., from Shanghai.
24, Ching-wo, British str., from Liverpool.
25, Chiynen, Chinese str., from Shanghai.
25, Haikong, British str., from Tamsui.
25, Loosok, British str., from Bangkok.
25, Lyeemoon, German str., from Shanghai.
25, Palawan, British str., from Yokohama.
25, Feiching, British str., from Canton.
25, Pechili, British str., from Canton.
25, Progress, German str., from Haiphong.
26, Ask, Danish str., from Haiphong.
26, Nanyang, British str., from Singapore.
26, Choysang, British str., from Shanghai.
27, Australian, British str., from Australia.
27, Cromarty, British str., from Moji.
27, Loksang, British str., from Canton.
27, Namoa, British str., from Coast Ports.
27, Oceana, German str., from Kobe.
27, Swatow, German str., from Moji.
27, Sumbawa, British bark, from Yokohama.
27, Thales, British str., from Taiwan.
27, Strathallan, British str., from Canton.
27, Yuensang, British str., from Manila.
27, Glenfalloch, British str., from Singapore.
28, Cheangchow, British str., from Singapore.
28, Formosa, British str., from London.



28. Galveston, German bark, from Amoy.  
 27. Hoihow, British str., from Swatow.  
 27. Royal Dutch str., from Moji.  
 28. Rosetta, British str., from Bombay.  
 28. Verona, British str., from Yokohama.  
 28. Hanoi, French str., from Haiphong.  
 28. Kweilin, British str., from Wuhu.  
 28. Hailan, French str., from Hoihow.  
 29. Kaiser-i-Hind, British str., from Shanghai.  
 29. Chiynen, Chinese str., from Canton.  
 29. Lienshing, British str., from Canton.  
 29. Wuhu, British str., from Canton.  
 29. Formosa, British str., from Tamsui.  
 29. Olympia, British str., from Tacoma.  
 29. Phra Chom Klao, Brit. str., from B'kok.  
 29. Sullberg, German str., from Haiphong.  
 29. Nanshan, British str., from Singapore.  
 30. Kwanglee, Chinese str., from Shanghai.  
 30. Memnon, British str., from Sandakan.  
 30. Choysang, British str., from Canton.  
 30. Lyseemoon, German str., from Canton.  
 30. Achilles, British str., from Amoy.  
 30. Prometheus, British str., from Liverpool.  
 30. Empress of China, Brit. str., from V'couver.  
 30. Lightning, British str., from Calcutta.  
 30. Magagon, British str., from Bombay.  
 30. Esang, British str., from Wuhu.  
 30. Germania, German str., from Amoy.  
 30. Senta, German str., from Hamburg.  
 30. Whan Tai, Chinese cruiser, from Saigon.

## DEPARTURES.

23. Mathilde, German str., for Hoihow.  
 23. Phra Nang, British str., for Bangkok.  
 23. Taichow, British str., for Bangkok.  
 23. Taisang, British str., for Shanghai.  
 23. Taichong, German str., for Amoy.  
 23. Empress of Japan, Brit. str., for V'couver.  
 23. Salazie, French str., for Europe.  
 23. Beulomond, British str., for Nagasaki.  
 23. Chwnshan, British str., for Swatow.  
 23. Onsang, British str., for Java.  
 24. Paoting, British str., for Canton.  
 24. Lienshing, British str., for Canton.  
 24. Canton, British str., for Swatow.  
 24. Hector, British str., for London.  
 24. Hongkong, French str., for Haiphong.  
 24. P. C. C. Klao, British str., for Bangkok.  
 24. Peiyang, German str., for Shanghai.  
 24. Sabine Rickmers, Ger. str., for Shanghai.  
 24. Szechuen, British str., for Shanghai.  
 24. Sydney, French str., for Shanghai.  
 24. Taksang, British str., for Canton.  
 24. Woosung, British str., for Shanghai.  
 24. Yungching, Chi. str., for Shanghai.  
 25. Haitan, British str., for Swatow.  
 25. Ingraban, German str., for Tourn.  
 25. Cheang Hook Kian, Brit. str., for Amoy.  
 25. Guthrie, British str., for Australia.  
 25. Dordogne, French str., for Saigon.  
 26. Independent, German str., for Kobe.  
 26. Edward May, Amr. bark, for Manila.  
 26. Lyseemoon, German str., for Canton.  
 27. Ching-wo, British str., for Shanghai.  
 27. Chiynen, Chinese str., for Canton.  
 27. Zaragoza, Mexican cr., for Singapore.  
 27. Choysang, British str., for Canton.  
 27. Hailong, British str., for Swatow.  
 27. Radley, British str., for Singapore.  
 27. Radnorshire, British str., for New York.  
 27. Wosang, British str., for Swatow.  
 27. Bylgia, German bark, for Taiwanfoo.  
 28. Doris, German str., for Haiphong.  
 28. Glenfalloch, British str., for Amoy.  
 28. Loksang, British str., for Swatow.  
 28. Nanyong, British str., for Amoy.  
 28. Pechili, British str., for Amoy.  
 28. Zafiro, British str., for Manila.  
 29. Petrarch, German str., for Kobe.  
 29. Progress, German str., for Haiphong.  
 29. Ask, Danish steamer, for Hoihow.  
 29. Feiching, British str., for Shanghai.  
 29. China, German str., for Saigon.  
 29. Namoa, British str., for Coast Ports.  
 29. Cheangchow, British str., for Amoy.  
 29. Chelydra, British str., for Calcutta.  
 29. Deucalion, British str., for Kudat.  
 29. Formosa, British str., for Shanghai.  
 29. Erejr, Danish str., for Amoy.  
 29. Gaelic, British str., for S. Francisco.  
 29. Lienshing, British str., for Swatow.  
 29. Loosok, British str., for Bangkok.  
 29. Rosetta, British str., for Shanghai.  
 29. Strathallan, British str., for Hongay.  
 29. Victoria, British str., for Tacoma.  
 29. Wuhu, British str., for Amoy.  
 29. Hoihow, British str., for Canton.  
 29. Kweilin, British str., for Canton.

30. Thales, British str., for Taiwanfoo.  
 30. Chiynen, Chinese str., for Shanghai.

## PASSENGER LIST.

## ARRIVED.

Per Zafiro, str., from Manila—Messrs. A. G. White, H. Cecil, and Rocherol.

Per Salazie, str., for Hongkong from Shanghai—Mr. and Mrs. Fearing, Messrs. H. Gun, de Zeppelin, E. Hunbarot, Granballon, Wood, and Kyall, Mrs. S. Takohashi, Mrs. Sarah Lellier and 3 children, Mr. Saleh Tabbah. From Yokohama—Mr. Knight. From Kobe—Messrs. Lelow, Rahl, Mannes, Rev. and Mrs. Renoud, Mrs. Maddock, and Mr. Schmidt. For Saigon from Yokohama—Messrs. Lepere and Tanet Armand. For Singapore from Shanghai—Messrs. de R. Luce, W. R. Burton, Y. Hamann, Mrs. Master Stewart, Messrs. Whittache, Eglan, and Dye. For Batavia from Shanghai—Mr. Guobovitch. For Colombo—Mr. and Mrs. Curtiss. For Suez—Mr. and Mrs. Planette. For Port Said—Mr. Tabbah. For Marseilles—Messrs. Coligan and Wilson James, Misses L. Foulana, L. Gessaga, Le Picard and Le Boulch. For Marseilles from Yokohama—Miss Wohl-gemuth.

Per Guthrie, str., from Kobe—Hon. Mrs. Sugden, Mr. and Mrs. Samura.

Per Haitan, str., from Coast Ports—Messrs. L. Suidter, A. Gansberger, G. A. Jenkinson, Ni Chit Sui, C. W. Diercks, and Mrs. E. Pollock.

Per Sydney, str., for Hongkong from Singapore—Comte de Senna Fernandez, Messrs. Brooke and Ligno Khim, Rev. Lamondais, Messrs. Seen Wei Foo, Yeap Toh, Chye Hupp, Wong Hoo Chow, Tay Song Chiew and 2 daughters, Tay Hye, Abdoolah, Bak Lye, and Scholdt, Mrs. Matsumoto and 2 children. From Saigon—Revs. Nivets and Thyeich, Sisters Marie and Elizabeth, Mrs. Heine and 2 children, Messrs. Wong Chich and Arabe. For Shanghai from Marseilles—Mr. Philip Hagberg, Mr. and Mrs. Francagni, Mr. and Mrs. Manindo and infant, Sisters St. Thomas, St. Charles, St. Vital, St. Gabriel, and St. Antoine, Mr. Kirk, Miss Truby, Messrs. Jules Mulkay and Rylander. From Singapore—Mr. Maynard. For Kobe from Saigon—Mrs. Hayashita. For Yokohama from Marseilles—Mr. Tanaka, Mrs. Wein, Mr. Chamnier, Miss Soloviev, Messrs. Gotario Wadachi, Th. Yun, Takakusu, Matsumoto, Mrs. R. Nakayama, Mrs. Sakai. From Batavia—Mr. Mikkers.

Per Chunsang, str., from Calcutta, &c.—Mr. Massey and Mrs. Morrison.

Per Hailong, str., from Tamsui, &c.—Mr. Yara.

Per Lyseemoon, str., from Shanghai—Messrs. Rehwooldt, G. Osmundsen, Kurreemali, Gulumali, and 101 Chinese.

Per Palawan, str., from Yokohama for Hongkong—Mr. and Mrs. Armitage, and Mr. Horne. For Singapore—Mr. Greig and Mr. Sallon. For Colombo—Mr. and Mrs. Jodrell, Misses Jodrell (2) and maid. For London—Mr. Drew and Mr. Hunt.

Per Choysang, str., from Shanghai—General W. D. Whipple and Mr. C. W. C. Deering.

Per Yuensang, str., from Manila—Messrs. J. M. Lacalle and C. Clift.

Per Namoa, str., from Coast Ports—Messrs. Pigot and Balz, Mrs. Major.

Per Australian, str., from Sydney—Miss Helms, Mrs. Read and 3 children, Miss Stevens, Miss Molloy, Miss Searle, Messrs. Lafone and Mortimer. From Port Darwin—Messrs. Legget and Crawford. From Timor—Messrs. Beale, Martineau, and Basto, Mr. and Mrs. Santos, Misses Santos (3), Dr. Magallares, Dr. Almeida, Capt. and Mrs. Silva, Mrs. Flores, Mrs. Morges, Major Fernando Antonio, Messrs. Moran, Burgess, Le Clera, and Osorio.

Per Rosetta, str., for Hongkong from London—Miss Johnstone, Miss Higgins, and Mr. G. Lawless. From Gibraltar—Mr. Carnduff. From Brindisi—Miss Harkness. From Bombay—Messrs. Ismail Khinjee, Hyderbhoj Cumroodin, and J. Shaik Tyebjee. From Colombo—Mr. W. A. Johnstone. From Singapore—Capt.

E. Minsung, Messrs. Tay, Seik, Ko, and Tay Khwan Hong. For Manila from London—Mr. Clark. For Nagasaki from London—Messrs. J. Smart and Owen. From Singapore—Capt. W. C. O. Foroy and Mr. John McCarthy. For Yokohama from Brindisi—Mr. Harlsen. From Calcutta—Mr. J. E. Cortasphine. For Shanghai from London—Miss Arnott, Mr. and Mrs. Wickham, Dr. Hicklin, Messrs. R. W. Stobie, C. J. Holland, Bird, and S. C. Darby. From Bombay—Mr. W. C. Wood.

Per Formosa, str., for Hongkong from London—Mr., Mrs., and Miss Jackson and three children, Misses Anderson (2), Messrs. R. J. Thomas and Pumfrett, Col. Elsdale, and Dr. Wilkinson. For Yokohama from London—Mr. F. E. Musgrave.

Per Verona, str., for Hongkong from Yokohama—Mr. and Mrs. Chan New and Mr. Chan Hon Pan. From Kobe—Messrs. A. B. Falkenburg and L. Rogers, Miss Truss, Mrs. L. T. Watson, Mrs. J. Farnam, Mrs. de Witt C. Hay, Messrs. Chan Pau Nam and Chan Tong, Mrs. Chan Von and child, Mrs. Chan Luk Shi, Mr. Yue Ching Chong. From Nagasaki—Mr. Kanda. From Yokohama for Bombay—Rev. and Mrs. Rokey, and 6 children. For Marseilles—Mr. Tan Tajima. For London—Messrs. C. H. Allen and James Leys. From Kobe for Brindisi—Messrs. H. Marcus and J. Tsohetinian.

Per Kaiser-i-Hind, str., from Yokohama for Hongkong—Mr. Frugier. From Shanghai for Brindisi—Mr. and Mrs. T. T. Marshall. For London—Miss Goodwin.

Per Nanshan, str., from Singapore—Messrs. Brison and Brett.

## DEPARTED.

Per Esmeralda, str., for Manila—Messrs. A. Scholtz and N. Grodekoff, Revs. Jose Orea and F. Cassius.

Per Empress of Japan, str., for Shanghai—Messrs. Litton, C. M. Adamson, and Miss Naess. For Kobe—Mr. J. Matsumoto. For Vancouver—Mrs. W. de C. Wetherell and child. For New York—Mrs. Chin Shing Pon, son and daughter, Mrs. Chin Jim and daughter. For New Glasgow, N.S.—Messrs. H. and N. MacDonald. From Yokohama for Vancouver—Mr. C. Wright.

Per Salazie, str., from Hongkong for Saigon—Messrs. Ong Ko Tiang and H. Hewat. For Singapore—Messrs. H. Hart, W. Gibson, A. Mow, W. Guine, and Tan Jun Tek, Mrs. Dorich and child, Mrs. Vincent and 2 children. For Marseilles—Messrs. M. Boyd Bredon, H. Henry, Tdelos Reyes, and Rev. Rey. From Yokohama for Saigon—Messrs. Lepere and Tanesarmand. For Singapore—Messrs. Whittache, Eglan, and Dye. For Batavia—Mr. Guobovitch. For Colombo—Mr. and Mrs. Curtiss. For Marseilles—Miss Wohl-gemuth. From Shanghai for Singapore—Mrs. M. Stewart. Messrs. de R. Luce, W. R. Burton, and Y. Hamann. For Suez—Mr. and Mrs. Planette. For Port Said—Mr. Ant. Tabbah. For Marseilles—Messrs. Cologan and Jas. Wilson, Misses L. Foulana, L. Gessaga, Le Picard, and Le Boulch.

Per Sydney, str., from Hongkong for Shanghai—Mr. and Mrs. C. M. de Senna, Mrs. B. M. dos Remedios, Messrs. C. Brenner, J. M. dos Remedios, Saleh Tabbah, E. J. Sequeira, C. M. de Senna, Jr., and F. X. de Senna. For Kobe—Mrs. Ohana Yamane. For Yokohama—Capt. Dumestre, Dr. Herr, Messrs. Lam Tze-ni, Guillaume, J. Storne, Torcuato, L. Mataldi, and G. Ackermann. For Shanghai from Marseilles—Mr. Hagberg, Mr. and Mrs. Monino and infant, Sisters St. Thomas, St. Charles, St. Vital, St. Gabriel, and St. Antoine, Mr. Kirk, Miss Truby, Messrs. Jules Mulkay and Rylander. From Singapore—Mr. Maynard. For Kobe from Saigon—Mrs. Hayashita. For Yokohama from Marseilles—Messrs. Tanaka, Wein, Chamnier, Miss Soloviev, Messrs. Gotario Wadachi, Yun, Takakusu, Matsumoto, Riji Nakayama, and Sakai. From Batavia—Mr. Mikkers.

Per Namoa, str., for Swatow—Miss Harkness. For Amoy—Miss Johnston and Mr. Tayseiko.

Per Ask, str., for Hoihow—Mr. and Mrs. Moorehouse.

Per Victoria, str., for Shanghai—Capt. Stanham. For Yokohama—Mr. Andrew Smith.

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